



European Washington File

Public Affairs Section

Embassy of the United States, Stockholm, Sweden

Thursday, August 21, 2003

Text: Negroponte Reports to U.N. Security Council on Progress in Iraq (Says progress has occurred on political, economic and security fronts)	3
Transcript: Powell, Annan Reaffirm Commitment to Iraq (Also discuss situations in Liberia and Middle East)	5
Transcript: UK Envoy Reports to UNSC on Coalition (Iraq' economy in "desperate need of reform," Jones Parry says)	10
Text: Leaders Around the World Condemn Terror Attack on U.N. in Iraq (Sergio Vieira de Mello mourned as victim of "barbaric" violence)	12
Text: U.N. Security Council Reaffirms Determination in Iraq (Promises to help despite attack on U.N. headquarters in Baghdad)	16
U.S., U.N. Determined to Succeed in Iraq (Powell, Annan discuss Iraq at U.N. headquarters in New York)	17
Security Council Vows to Continue U.N.'s Work in Iraq (Negroponte says U.S. will discuss possible new Security Council resolution)	18
General Abizaid Says Terrorism Becoming Major Security Threat in Iraq (Defense Department Report, August 21: Iraq Operational Update)	19
Transcript: Defense Department News Briefing, August 21, 2003 (Latin America/Rumsfeld Trip; U.N. Mission Bombing/Terrorist Attack; Chemical Ali Capture/Coalition Forces; Iraq Operations/U.S. Troop Levels; Terrorist Cells/Threat Increasing; ISAF Expansion/Afghanistan; Iraq Terrorists/State Sponsors; FARC/Colombian Borders)	20
Excerpt: Boucher: Russian Support for Iranian Nuclear Program Has Changed (Spokesman credits years of diplomacy between Russia, U.S.)	29
Middle East Terror "Has to End," Powell Says (Secretary of state calls on Arab nations to press Hamas)	30
Transition Progressing Well in Liberia, Say Powell and Annan (ECOWAS force effective in advancing peace process)	30
Text: U.S. Gives Additional \$9.5 Million to Help Afghan Refugees (U.S. aid for Afghan refugees totals \$216 million since Sept 2001)	31
Text: U.S. Seeks to Help Romania Achieve EU Environmental Standards (Two USTDA grants for feasibility studies in energy sector)	32

Transcript: U.S. Envoy to Pakistan Speaks on Sanctity of Contracts, Corruption (Amb. Nancy Powell addresses anti-corruption conference in Islamabad)	34
Text: Operation Provide Hope: U.S. Medicines Delivered to Tajikistan (Delivery of humanitarian medical assistance valued at \$17 million)	36
Transcript: U.S Envoy Urges Attention to Pakistani Business Practices (Ambassador Powell addresses anti-corruption conference in Islamabad)	37
Transcript: White House Briefing, August 21, 2003 (Bush schedule, Iraq, United Nations, Powell/Annan, capture of Chemical Ali, Middle East)	40
Transcript: State Department Briefing, August 21, 2003 (Department, Israel/Palestinians, Iraq, Libya, China)	44
Byliner: Public Diplomacy Necessary for Policy Success, Says State's Ross (Amb. Christopher Ross article in Harvard Review)	55
Text: Justice Dept. Assesses U.S. Actions to Fight Trafficking in Persons (U.S. goal is to help one victim at a time, new report says)	60
Text: IMF, World Bank Pledge to Help Poor Nations Reach WTO Goals (Plan includes policy assistance, loans, heads of institutions say)	62
Defender of Haitian Boat People Dies in Aug. 19 Baghdad Bombing (Arthur Helton was Senior Fellow at Council on Foreign Relations)	63
African Expert Guardedly Optimistic About Cote d'Ivoire Reconciliation (NDI's Fomunyoh moderated multi-party peace and reconciliation conference)	64
Text: Special Summit of the Americas Scheduled for January 2004 (OAS says summit will be held in Mexico)	66

Text: Negroponte Reports to U.N. Security Council on Progress in Iraq*(Says progress has occurred on political, economic and security fronts)*

Reporting to the U.N. Security Council on the Coalition's progress in Iraq, U.S. Ambassador to the United Nations John Negroponte said August 21 that for the first time in decades, Iraqi resources, including oil revenues, are being spent for the benefit of the Iraqi people.

The timing of the terrorist attack on the U.N. headquarters in Baghdad August 19 "was no accident," Negroponte said. "It occurs at a critical juncture, when the impact of initial plans and efforts has begun to take positive effect."

Negroponte and British Ambassador Emyr Jones Parry reported to the Security Council on the Coalition's progress on security, the economy, humanitarian activities, efforts to establish local institutions for representative governance, commitment to human rights, and legal and judicial reform since May. The progress was made, they said, with the assistance and expertise of the United Nations.

"One of the most significant accomplishments was the formation on July 13 of the 25-member Governing Council. It is now up to the Governing Council to guide the country through the sequence of events -- naming ministers for an interim government, drafting a constitution, holding elections -- that will lead to an internationally recognized, representative government," Negroponte said.

Regarding progress on the economic front, Negroponte said currency unification is set for October and efforts are under way to establish an Iraqi Trade Bank.

On security issues, an Iraqi civil defense corps is being organized to work with Coalition forces on security tasks and a Facilities Protection Service is being formed to guard critical infrastructure, government facilities, and cultural and educational assets, the ambassador said. There are nearly 38,000 police officers patrolling throughout the country.

Negroponte also said that while the Coalition does not know who carried out the attack on the U.N. headquarters in Baghdad, "we can surmise their motives: to restore the brutal reign of terror of the Saddam regime and the Ba'ath party. To terrify those who wish to work with the international community to build a free and democratic Iraq. To create a new battleground in the global war between terrorists and civilized nations."

Following is the transcript of the ambassador's remarks:

(begin text)

Statement by Ambassador John D. Negroponte,
United States Permanent Representative to the
United Nations,
on the Situation in Iraq, in the Security Council,
August 21, 2003

Mr. President, on May 22, this body joined together to help the Iraqi people recover from decades of repression, willful neglect, and isolation. We adopted a framework to enable the Coalition Provisional Authority, the United Nations, Member States, and others in the international community to contribute to Iraq's reconstruction. At that time, my government and the United Kingdom committed to informing the Council on a quarterly basis of progress in implementing Resolution 1483.

We had looked forward to this opportunity to inform you in detail about Coalition activities and efforts to illustrate our commitment to fostering the conditions in which the Iraqi people chart their own future, and to seek your continued support for this unprecedented undertaking.

But like everyone gathered here, as well as friends and colleagues in countries all over the world, our step is a little slower today, our smiles a bit forced, as we begin to come to grips with the truly inestimable loss of Sergio Vieira de Mello and other United Nations officials and Iraqi staff who perished on Tuesday.

It has only been three short months since Resolution 1483 was adopted, and in that brief

period Sergio and his devoted staff energetically seized the mandate awarded by the Council and forged a path for United Nations contributions to Iraq's reconstruction.

For nearly 60 years, the United Nations has been a partner and friend to people in need all over the world. United Nations employees who freely chose to help in Iraq are unarmed civilian professionals who have devoted their talents and energies to public service. These good people are men and women from every background who lend a hand when we call. They are no man's enemy.

On behalf of the United States and the American people, I extend our deepest sympathies to the victims and their families.

I also want to assure you that Coalition forces are working closely with UN officials to ensure that the injured receive appropriate medical care. We greatly appreciate the many offers of assistance from other nations with the difficult, indeed heart-wrenching, work at the site of the attack.

While we do not yet know the identities of those who perpetrated this hateful attack, we can surmise their motives: to restore the brutal reign of terror of the Saddam regime and the Ba'ath party. To terrify those who wish to work with the international community to build a free and democratic Iraq. To create a new battleground in the global war between terrorists and civilized nations. To prevent the emergence of a new Iraq, whose people live at peace amongst themselves and with their neighbors. And to threaten the foundation carefully laid since Iraq's liberation. The Iraqi people, the Coalition, the United Nations, and others in the international community have labored mightily over the past few months to build a new Iraq.

With concrete support from the international community, the Iraqi people will realize the potential of their great nation. However, as Tuesday's attack painfully illustrates, we should be under no illusions about the enormity of the task. Thirty years of unbridled tyranny have scarred and stunted the Iraqi body politic. The sustained lack of investment in human and material infrastructure has left Iraq ill-equipped to meet the needs and challenges of the twenty-first century. Iraq must

transform its failed statist economy into a functioning market-based system. Basic services must be fully restored, improved, and expanded. The voice of the Iraqi people must be reclaimed from enforced silence and speak freely in a civil society, through responsible media, and through local and national elections. The rule of law, enshrined in a new constitution and grounded in respect for human rights and fundamental freedoms, must supplant rule by terror. The police and army must be transformed from instruments of oppression and brutality into professional institutions capable of ensuring order and security.

Resolution 1483 provided the framework for Iraq's regeneration. Since its adoption, one of the most significant accomplishments was the formation on July 13 of the 25-member Governing Council. It is now up to the Governing Council to guide the country through the sequence of events - naming ministers for an interim government, drafting a constitution, holding elections - that will lead to an internationally recognized, representative government.

For the first time in decades, Iraqi resources -- including oil revenues, assets of the former regime, and donor funds - are being spent for the benefit of the Iraqi people. The Coalition, in coordination with the Governing Council, developed a budget for the remainder of 2003 of U.S. \$6.1 billion. The Governing Council has now taken the lead in developing a budget for the year 2004.

Allow me to highlight other important markers of progress. In all of these areas, the Coalition has worked side-by-side with United Nations specialized agencies, and in many cases, the resulting achievements would not have been possible without their assistance and expertise.

We are working to improve economic conditions. Salaries, pensions, and emergency payments inject U.S. \$20 million per month into the Iraqi economy. The Coalition is buying wheat and barley crops from Iraqi farmers. Efforts are underway to establish an Iraqi Trade Bank and put the banking system on line. Currency unification is set for the month of October.

In the field of security, we have initiated programs to enable Iraqis to develop a capacity to foil the saboteurs who target their electrical infrastructure, oil industry and other sectors critical to Iraq's renewal. For example, we are in the process of organizing an Iraqi Civil Defense Corps to work with Coalition forces on security tasks, and we have also hired several thousand Iraqis into the Facilities Protection Service to provide security for critical infrastructure, government facilities, and cultural and educational assets.

We have taken major strides toward promoting a secure environment with an effective and professional police force. Tens of thousands of Iraqi police answered the call to return to work for the betterment of their country, and the recruitment and training is underway to thousands more on the streets. There are currently nearly 38,000 police officers patrolling throughout the country, some 6,000 of whom are in Baghdad. Our ultimate goal is to have approximately 65,000 police countrywide. We have also worked hard with the Iraqis to refurbish and reopen police stations, courts, and prisons around the country.

Some countries have already contributed expertise, trainers or equipment to support police programs in Iraq - most notably Canada, Denmark, Singapore and South Korea. We will need the help of other countries to build an effective and durable Iraqi police force.

It is a basic task of security sector reform in Iraq to make permanent the de-militarization of the internal security structures of the Saddam regime. However, as it resumes full control of its affairs, Iraq will need a military for self-defense. Accordingly, we have started training the New Iraqi Army. We are supporting Governing Council efforts to develop the institutional and legal framework necessary to ensure that the new Iraq's national security policy and national security institutions are both under democratic, civilian control and can maintain Iraq's security in a secure region.

Just as with our civilian police and other security reform initiatives, the Iraqi people and the Coalition welcome and need the participation of the international community in these efforts to help bring security and stability to Iraq. Many countries

have already rallied to this effort. More than thirty nations have sent or committed forces to promote stability in Iraq, and we are continuing our efforts to secure contributions from others.

Mr. President, the timing of Tuesday's attack was no accident. It occurs at a critical juncture, when the impact of initial plans and efforts has begun to take positive effect. A secure, democratic, and stable Iraq is a threat and a target for those who would turn the clock back to the days of tyranny.

In the face of this attempt to sabotage the future of Iraq, there is only one response available to us if we are to live up to the principles of our charter. The members of this body must unreservedly stand together. We must invigorate our struggle against terrorism and aggressively implement measures to prevent and suppress acts of terrorism. And we must solidify and enhance our support for security and stability in Iraq, in order to foster an environment in which the people of Iraq freely determine their own future.

Members of this body can best honor the legacy of those who died on Tuesday with a sustained and unwavering commitment to build a better Iraq.

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

**Transcript: Powell, Annan Reaffirm
Commitment to Iraq**

(Also discuss situations in Liberia and Middle East)

Secretary of State Colin Powell met with U.N. Secretary General Kofi Annan in New York August 21 and said the United States is determined to remain in Iraq, defeat terrorism and work with the United Nations to rebuild the country.

"[T]here are terrorists and criminals and others who are determined to stop us from helping the Iraqi people," Powell said. "[T]hey will not succeed. The

United Nations remains committed, the coalition remains committed, and the United States certainly remains committed to stay in Iraq and to make sure that the promise that has been brought to Iraq by the elimination of the Hussein regime will be achieved, will be made available to every Iraqi citizen."

Powell said the United States will work with the United Nations to provide as safe an environment as possible for humanitarian and reconstruction workers.

Annan noted that the United States and the United Nations have separate mandates in Iraq and it is important not to confuse them.

"I think one has to be careful not to confuse the U.N. with the U.S. The U.S. has its policy and the U.N. has its policy," Annan said. "I think even the Iraqis will tell you that they did see the difference, that even though we were cooperating there were two separate organizations."

Powell said he was pleased that the global participation in the coalition military forces in Iraq was expanding, and he expressed confidence in the leadership of the U.S. military commander in charge of the forces in Iraq, General John Abizaid.

Powell and Annan said they also discussed the situation in Liberia and the conflict between Israel and the Palestinians.

The two men said they were pleased at progress in Liberia, where the head of a transitional government has been named after the recent forced departure of former President Charles Taylor.

Powell appealed to the world community to insist that acts of terror committed by organizations such as Hamas come to an end. The secretary also urged Palestinian Chairman Yasser Arafat to work with Palestinian Prime Minister Mahmoud Abbas to stop terrorism to allow progress on the roadmap toward peace.

Following is the transcript of the press conference given by Annan and Powell after their meeting:

(begin transcript)

Remarks with United Nations Secretary General Kofi Annan After Their Meeting

Secretary Colin L. Powell Outside the United Nations New York, New York
August 21, 2003

SECRETARY GENERAL ANNAN: Good morning, ladies and gentlemen. The Secretary of State and I have had a very good discussion this morning. As you can imagine, we have reassessed the security situation in Iraq, and he brought me the condolence and sympathy of the U.S. administration for what happened to the UN headquarters and the UN personnel, and we have had a chance to review what needs to be done to strengthen our security and to continue our operations.

We also talked about Monrovia, where things seem to be moving. We are making progress both on the political and the military front, and we hope that in the not too distant future we'll be making even greater strides.

We reviewed the situation in the Middle East and the need to ensure that the parties stay on track with the implementation of the roadmap, and we also discussed other UN related issues, and I will let the Secretary say a few words.

SECRETARY POWELL: Thank you very much, Mr. Secretary General. It's a sad occasion this morning, but it's an occasion that's also filled with determination. I brought to the Secretary General, once again, the condolences from the President of the United States and the American people on the loss of a great man, Sergio de Mello, and a number of other individuals who were working the cause of peace, who were there to help the Iraqi people.

And there are terrorists and criminals and others who are determined to stop us from helping the Iraqi people, and in my conversation with the Secretary General this morning we reaffirmed that they will not succeed. The United Nations remains committed, the coalition remains committed, and the United States certainly remains committed to stay in Iraq and to make sure that the promise that has been brought to Iraq by the elimination of the

Hussein regime will be achieved, will be made available to every Iraqi citizen.

I am very pleased that the Secretary General reaffirmed that the United Nations would be staying in Baghdad and we will be working with the United Nations representatives in Baghdad on security matters. We want the humanitarian workers and other workers in Iraq, the reconstruction workers and others, to have a safe environment. It's a challenging environment, but we will work closely with the United Nations to make sure that they can perform their work in as safe an environment as is possible, considering the circumstances.

We are pleased at the progress made in Liberia so far. We see this morning that a head of a transitional government has been named and are pleased the United States was able to play a role with ECOWAS. And I'd like to congratulate the Secretary General for his efforts as well as the ECOWAS leadership for their efforts in getting Mr. Taylor out of Monrovia and peacekeepers in; and hope in as well.

The Middle East situation is challenging the international community once again today, and I call upon all of my colleagues in the Security Council at the UN, other members of the international community, the members of the Quartet, Arab nations, to step up now and insist that the terror perpetrated by organizations such as Hamas must come to an end.

I call on Chairman Arafat to work with Prime Minister Abbas and to make available to Prime Minister Abbas those security elements that are under his control so that they can allow progress to be made on the roadmap; end terror, end this violence that just results in the further repetition of the cycle that we've seen so often. It has to end. The Palestinian people, the Israeli people, deserve better. And those who are determined to blow up the roadmap must not be allowed to succeed.

And you can be sure that the Quartet, the United States and the Secretary General, as members of the Quartet, will continue to work toward that end.

Thank you very much.

QUESTION: Mr. Vieira de Mello, Mr. Vieira de Mello. Could you say a word about him -- what it was, what he really represented?

SECRETARY POWELL: I knew Mr. de Mello. Sergio was a wonderful human being. He was a dedicated international public servant. He took on this new mission wanting, really, to do something else, wanting to continue his work at the Human Rights Commission. But he did it because he was a soldier, a soldier in the cause of peace.

And my heart goes out to his family and my heart goes out to the Brazilian people. I know that this has been a shock to them.

I have spoken to the Foreign Minister of Brazil twice in the last 12 hours to convey our condolences and to do everything we can to make sure that Sergio is returned to his homeland with dignity and with honor.

QUESTION: Will the U.S. encourage other member-states to contribute troops to the security situation in Iraq?

SECRETARY POWELL: The Secretary General and I spoke about whether other steps might be appropriate, and Ambassador Negroponte will be working with the Secretary General's staff and my Security Council colleagues to see what language might be appropriate.

We're looking at, of course, reaffirming our determination to succeed in Iraq. We're looking forward to language that might call on member-states to do more. The President has always felt that the UN has a vital role to play and he has said that repeatedly. It is playing a vital role; that's what Sergio and his colleagues were doing. And so we are now just exploring language with our Security Council colleagues.

QUESTION: Are you ready to assign authority over economic decision-making to the UN in order to encourage participation?

SECRETARY POWELL: I've had no such request, and I think there -- let's put one thing in mind. Some 30 nations are now participating. It is an international coalition. There are 22,000 troops

there from these 30 nations. Five other nations are in the process of sending troops and 14 other nations are in conversation with the coalition on troop contributions. But perhaps additional language and a new resolution might encourage others.

Other issues with respect to the role that the UN has to play, all of this can be discussed in the course of our negotiations on a resolution.

QUESTION: Mr. Secretary, Tuesday's bombing in Jerusalem, the bomber came apparently from Ramallah. Would you now reconsider your position to the security fence Israel is building? And also, are we at the end of the roadmap as a result of the new violence?

SECRETARY POWELL: The end of the roadmap is a cliff that both sides will fall off of, and so we have to understand the consequences of the end of the roadmap. So it is not the end of the roadmap. I believe both parties understand that a way has to be found to go forward.

The alternative is what? Just more death and destruction? Let the terrorists win? Let those who have no interest in a Palestinian state win? Let those who have no interest but killing innocent people win? No. That is not an acceptable outcome. And I think both parties realize it and I think both sides should recommit themselves to finding a way forward.

With respect to the fence, we've spoken about the fence previously.

QUESTION: Mr. Secretary, are you comfortable with the idea of expanding the UN mandate on Iraq? And how difficult to get a consensus in the Security Council after the bitter legacy of this past winter?

SECRETARY GENERAL ANNAN: Yeah. No, I think the issue of Iraq is of great concern to everybody, regardless of the divisions that existed before the war. There are many who were against the war who are now coming together to help stabilize Iraq, and I think the stability of Iraq should be in everyone's interest. And this is why I would

want to see everyone come together to help to stabilize Iraq and the region.

I think the question of UN mandate and the UN role, we have focused on economic and political reconstruction. And on the question of security, we have no intention of recommending UN blue helmets. So, really, it's either a multinational force that oversees the security arrangements, with the UN focusing on the economic, political and social areas, where we do our best work, including the humanitarian.

QUESTION: Is there a consensus in the Security Council on that, given what happened over the winter?

SECRETARY GENERAL ANNAN: I think it is possible. I think it is possible to get a consent, but it will take work, it will take consultations and negotiations, but I will not exclude it. And I think, as I said, yes, there were divisions last winter, there were divisions before the war, but we all realize that it is urgent to help bring peace to Iraq, bring peace to the region. An Iraq that is destabilized, an Iraq that is in chaos, is not in the interest of the region or the world, and we do have a responsibility to ensure that.

SECRETARY POWELL: My conversations with a number of foreign ministers, Security Council foreign ministers over the last several days, reaffirmed to me that they were interested in moving forward and helping the Iraqi people. And you talked about the disagreements over the winter, but during the spring and in the early summer we passed 1483, we passed 1500, so I think there is a willingness to come together to help the Iraqi people.

QUESTION: Mr. Secretary, how risky do you think is it for the United Nations to be perceived in the Middle East as to be either too close to or identical with the United States?

And a question for the Secretary of State, if I may. Secretary of State, to what extent are you still in sync with the rest of your administration over Iraq, and would you stay the course through a second term if there is a second term for the Bush Administration?

SECRETARY GENERAL ANNAN: Let me say that the UN, obviously, is its member-states. The United Nations have to work with all the member-states, including the U.S., and I think one has to be careful not to confuse the UN with the U.S. The U.S. has its policy and the UN has its policy. I think this was demonstrated very clearly in the spring in the discussions leading to Iraq. Most people forget that the Council did not vote to support the war in Iraq. The Council took a different position. And that the UN, working with the other member-states including the U.S., has been able to get quite a lot done in Iraq, as we speak today.

Sergio de Mello acted under the Security Council mandate and had an independent mandate, even though he cooperated very effectively with Mr. Bremer. But the UN mandate was clear, and what Mr. Bremer's mandate was was also clear, but they did cooperate. And I think even the Iraqis will tell you that they did see the difference, that even though we were cooperating there were two separate organizations, as it were.

SECRETARY POWELL: The United States only has one foreign policy; it's the foreign policy enunciated by the President. I can assure you that I'm in sync with that foreign policy, in sync with the President. I serve at the pleasure of the President and I no longer comment on idiotic summer stories.

(Laughter.)

QUESTION: Mr. Secretary, is the United States willing to cede power in Iraq to the UN in order to get other countries to contribute troops?

SECRETARY POWELL: We have said all along, the President made it very clear many, many months ago, that we want the UN to play a vital role. We believe it is playing a vital role. The issue of ceding authority is not an issue that we have had to discuss this morning. We both understand the role being played.

The Secretary General just spoke to the UN role, and we all understand what the Coalition Provisional Authority is doing; 1483 and 1500 took account of that relationship. So I think we're on solid ground there.

We also have taken note of the fact that we now have a Governing Council that has received acceptance in a number of quarters, and we hope that as the Governing Council, working with Ambassador Bremer, get more and more actively involved in the work of reconstruction and in assisting in the running of the ministries and are seen as representing the Iraqi people, that will give confidence to the Iraqi people and give confidence to the international community that we are on the way to making sure that a government is being formed that will represent all the Iraqi people and will be democratic. And I hope that as we go into the fall, more and more international organizations will come to recognize the role of the Governing Council and endorse that role.

QUESTION: Mr. Secretary, there does seem to be great will to offer troops and more money to stabilize Iraq in -- among Security Council members, even those who opposed the war, but not under coalition control. How do you propose to square that circle?

SECRETARY POWELL: We now have 30 nations, as I've said, that have contributed 22,000 troops under coalition control. You have to have competent control of a large military organization. That's what the coalition brings and that's what U.S. leadership brings to the coalition. Five other nations are in the process of making their final decisions to send troops and we're talking to 14 others. So that is close to 45 or 50 or something like that, and so that is an international presence. There is an international presence. And we will continue to work with other nations who might be willing to make contributions.

And I don't think there is a problem. I think anybody making a contribution, a military contribution, sending their young men and women into harm's way, want them to be under solid, responsible, competent military leadership of the kind that is being provided by the coalition and the military component of the coalition under General Abizaid's command.

QUESTION: Mr. Powell, did the U.S. offer to provide more security to the UN and the UN turn that down?

SECRETARY POWELL: You mean, in the -- previously? I've heard these stories, but I'm not aware of any facts related to those stories. I don't know.

QUESTION: Thank you very much.

(end transcript)

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Transcript: UK Envoy Reports to UNSC on Coalition

(Iraq' economy in "desperate need of reform," Jones Parry says)

"The international community underestimated how much fundamental damage had been caused to the fabric of Iraq and its society" by the regime of Saddam Hussein, UK Ambassador Emyr Jones Parry told the United Nations Security Council August 21.

Warning nations not to underestimate the difficulty of the work in Iraq, Jones Parry said Saddam Hussein "squandered the wealth of Iraq. The state-run economy is in desperate need of reform with 60 percent unemployment and no serious investment in infrastructure for decades."

Jones Parry and U.S. Ambassador John Negroponte reported to the Security Council on the Coalition's progress on security, the economy, humanitarian activities, efforts to establish local institutions for representative governance, commitment to human rights, and legal and judicial reform since May. Progress was made, they said, with the assistance and expertise of the United Nations.

The water sector is a priority, Jones Parry said. The coalition has repaired over 130 critical breaks, but facilities have been badly hit by highly organized sabotages, exacerbated by shortages of parts and chemicals.

All 240 hospitals in Iraq are functioning, 22 million doses of vaccines have been provided, most schools were open by June and the upgrade of school facilities are underway, he said. Every major Iraq city now has a local government.

Following is the transcript of the ambassador's remarks:

(begin transcript)

STATEMENT ON IRAQ BY SIR EMYR JONES PARRY KCMG, UK PERMANENT REPRESENTATIVE TO THE UNITED NATIONS SECURITY COUNCIL ON 21 AUGUST 2003

I join Ambassador Negroponte in expressing horror and outrage at the events of Tuesday. Above all, we share the sadness at the loss of Sergio Vieira de Mello and other UN officials and Iraqi staff. As with all our friends and colleagues among UN staff in New York and world-wide, Sergio and his team won our admiration and respect for their unflinching commitment to improving the situation for the people of Iraq.

The progress which Ambassador Negroponte and I are outlining today is, almost across the board, the result of the Coalition and the UN working together. The challenges which remain, we will face together. Because today our resolve is even stronger to help the Iraqi people to win the prosperous, stable future that they deserve. We cannot allow a small minority to hijack that future.

Our goals in Iraq are clear and set out repeatedly by the Security Council - the achievement of a free sovereign Iraq run by the people of Iraq for the people of Iraq, and achieved as quickly as possible. But we have to recognize the difficulties which any State faces in moving from conflict into a stable, peaceful, law-abiding democracy. Experience in the Balkans and in Africa underlines the common difficulties which always exist. The transition to justice, dealing with crimes of the past, developing law and a legal system, having effective policing and a judiciary and a penal system - these are all essential but hard won necessities of civic society. The United Nations has much experience of helping to organize elections. But it is difficult, painstaking and

time-consuming. Representative government is much more than elections. You need electoral law, political parties. How do people campaign freely? How do you embed democratic practices? It also depends on political will. I could enumerate lots of other areas, not least the economic, but my essential point is that the challenge of construction is always great. Iraq is different in many ways, because we are starting from over 30 years of Saddam's repression and abuse of Iraq and its people. I suspect the international community as a whole underestimated how much fundamental damage had been caused to the fabric of Iraq and its society by such a pernicious regime.

Ambassador Negroponte touched on security and the economy. I will cover the CPA's humanitarian activities, its contribution to Iraqi efforts to establish local institutions for representative governance, and its commitment to ensuring human rights, legal and judicial reform.

Humanitarian Activities and the Provision of Basic Services

Food distribution systems are fully restored. But to move on, we need to look beyond the end of the Oil-for-Food program. We are conducting poverty and vulnerability surveys are being undertaken to identify where continued support will be needed.

In the field of healthcare, all 240 hospitals in Iraq are now functioning. With the help of UNICEF, over 22 million doses of measles, tuberculosis, hepatitis B, diphtheria, whooping cough, tetanus and polio vaccines have been provided: enough to vaccinate 4.2 million children. The cholera season is now over. Prompt action kept the number of confirmed cases this year down to 65, well below average.

We are reinvigorating the education system countrywide: distributing 1.2 million student kits and 3,900 school kits. By the end of June, most schools were open. We have launched an upgrade of school facilities and we are reviewing all textbooks and their availability. 70 million revised textbooks will be printed by the end of December.

The water sector continues to be a priority. We have repaired over 130 critical breaks in the network. But,

as we have seen spectacularly, the network has been badly hit by highly organized sabotage, exacerbated by shortages of parts and chemicals. Projects are in hand, in Baghdad and elsewhere, to upgrade existing treatment plants and build new ones to the benefit of 11.5 million people.

Advancing Iraqi efforts to restore and establish national and local institutions for representative governance

We have already noted the establishment of a Governing Council to lead the country to elections to appoint a representative government. The Council is our partner in many decisions concerning the administration of Iraq.

The Governing Council have set up a Constitutional Preparatory Committee which is now meeting to organize countrywide consultations on a future constitution. It has worked up a strategy for consulting and involving civil society in this work. And will be reporting back to the Governing Council by mid September.

We are also working to ensure representative Iraqi institutions at the local level - where many of the decisions most affecting individuals are made. Every major Iraqi city now has a local government. We are in the process of deploying teams to help build up Iraqi provincial governments. The Coalition is committed to including women in all phases and at all levels in the reconstruction of Iraq.

Human Rights and Legal and Judicial Reform

We are working to support the creation of a culture where human rights are respected. Human rights and the rule of law must be central to the building of representative, democratic institutions in Iraq.

We are working to ensure transitional justice. International forensic teams have conducted initial assessments of more than 60 of the 150 reported mass graves. A team is collecting witness testimonies and documents. We are working on the preservation of evidence. We hope shortly to begin to develop a National Iraqi Bureau of Missing Persons.

We are supporting efforts to strengthen civil society and human rights education in Iraq. We have been disseminating information and training on basic human rights entitlements and protections guaranteed by international law.

The restoration of law and order rests, in part, on the development of a fully functioning and effective justice system. We have repaired over 450 court premises and scores of prison facilities country-wide. A Judicial Review Committee, comprising equal numbers of Coalition and Iraqi members, is in the process of screening judges and prosecutors. A Central Criminal Court, with some of the most highly regarded jurists in Iraq, has been established as a model of judicial integrity and fairness to handle cases of special importance or with national significance.

Conclusion

No member of this Council should under-estimate the difficulty or the importance of the undertaking on which we are engaged. Saddam repressed Iraq for over three decades. He squandered the wealth of Iraq. The state run economy is in desperate need of reform with 60 percent unemployment and no serious investment in infrastructure for decades. Iraq's people are still coming to terms with the fact that hundreds of thousands of their countrymen were killed by their own government.

While no one should underestimate the challenge, neither should they underestimate our sustained commitment, working alongside the UN with the people of Iraq. We cannot afford to fail. The international community owes it to Iraq. A prosperous and stable Iraq, a prominent member of the international community, will be a success and a tribute to Sergio Vieira de Mello and the staff who lost their lives.

We share the goals for Iraq, and our views on means of delivery are converging. We have rightly responded to the terrible events of this week by reaffirming our determination to act together to build a better future for Iraq. The UK believes it is right to respond by stepping up the international involvement in all elements of assistance to the Iraqi people, in coping with the security problems and developing the economic and political aspects.

It is timely that we should examine again the ways in which the international community, the international institutions, individual countries can manifest their solidarity with Iraq by reinforcing current involvement. The needs are quite clear. How can the UN involvement now move forward in order to accelerate political progress, where we have an increasingly common perception of what needs to be done in Iraq. How can we speed up support for reconstruction and economic development? We need to enhance security. What do we need to do as the Security Council better to help those nations wishing to contribute to do so? How can we meet the different policing needs? Iraq's relations with the neighboring countries, the security of the unitary state and the protection of its borders - is there scope for action which would further the achievement of a successful Iraq? These are all issues which are germane and crucial. The UK very much hopes that in the coming days the Security Council can constructively debate these issues.

(end transcript)

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: Leaders Around the World Condemn Terror Attack on U.N. in Iraq

(Sergio Vieira de Mello mourned as victim of "barbaric" violence)

International organizations and national governments alike condemned the terrorist truck bombing of the United Nations facility in Baghdad on August 19, and mourned the loss of life, including that of U.N. special envoy Sergio Vieira de Mello.

Romano Prodi, president of the European Union (EU), sent a message to U.N. Secretary General Kofi Annan expressing outrage at the attack, terming it "barbaric." The statement said that the targeting of the civilian U.N. staff and of de Mello "is therefore an attack on the future of Iraq and all of its people."

Ambassador Alessandro Minuto Rizzo, deputy secretary general of NATO, condemned "in the strongest possible terms this cowardly attack." He also termed it "an act of barbarity."

The secretary general of the Organization for Security and Cooperation in Europe (OSCE), Jan Kubis, said he was "utterly appalled at this senseless and cowardly terrorist attack on people whose sole mission is to improve the lives of the people of Iraq." He also called de Mello "a valued friend and colleague."

Cesar Gaviria, secretary general of the Organization of American States (OAS), expressed "profound sorrow and indignation" over the attack. "We especially feel the loss of the great Brazilian diplomat Sergio Vieira de Mello," Gaviria said, "a true international civil servant who tirelessly defended human rights and dignity."

"Once again we have been reminded of the horrors of terrorism," Gaviria said.

The International Monetary Fund (IMF), which has been working in Iraq, issued a statement by Horst Köhler, managing director, in which he expressed "my deepest regret" at the news of de Mello's death and of the other U.N. staff killed and injured in the blast.

The Brazilian foreign ministry released a statement expressing shock and sadness over de Mello's death, and calling the bombing a "barbaric and senseless terrorist attack." The statement said de Mello "always performed with dignity and utmost professionalism the difficult missions he was assigned in different countries around the world."

British Foreign Secretary Jack Straw said he was appalled by the terrorists' "callous attack" against the U.N. facility, and paid tribute to de Mello as "an exceptional man" whose death "is an utter tragedy."

"This will only reinforce our commitment to work for the peaceful, prosperous and democratic Iraq which its people deserve," Straw said.

The texts of the statements follow:

(begin text)

(Begin text of EU statement:)

Brussels, 19 August 2003

Romano Prodi expresses outrage at attack on U.N. Office in Baghdad

Romano Prodi, President of the European Commission, has this afternoon sent a message to Kofi Annan, expressing the Commission's outrage at the barbaric attack on civilians working at the United Nations Office in Baghdad. The Commission deeply regrets the loss of life and the injuries caused, both to Iraqis and international staff, and we offer our condolences to the families of those affected.

The work of the United Nations is essential to rebuilding a stable and prosperous Iraq. It has been among the strongest advocates of a rapid and effective transfer of power to the Iraqi people. The targeting of its staff and of Special Representative Sergio Vieira de Mello is therefore an attack on the future of Iraq and all of its people.

Together with other recent attacks on international personnel, this attack will seriously hamper the ability of the international community to provide much needed humanitarian aid and will be a blow to its efforts to prepare for rapid reconstruction of the country. The European Commission remains determined to work with its international partners to support the U.N. in its vital role.

(End text of EU statement.)

(Begin text of NATO statement:)

NATO Press Release
19 Aug. 2003

DEPUTY SECRETARY GENERAL OF NATO,
AMBASSADOR MINUTO RIZZO,
CONDEMNS ATTACK ON U.N.
HEADQUARTERS IN BAGHDAD

Having learned of the bomb attack on the U.N. Headquarters today in Baghdad, Iraq, Ambassador Alessandro Minuto Rizzo said:

"I condemn in the strongest possible terms this cowardly attack on the offices of the United Nations in Baghdad. It is an act of barbarity aimed at an international institution working to assist the people of Iraq.

On behalf of NATO, I offer sincere sympathies to the relatives of international and local U.N. staff as well as Iraqis and others who suffered as a result of this tragic event".

(End NATO text)

(Begin OSCE text)

Organization for Security and Co-operation in Europe
Secretariat
19 August 2003

OSCE SECRETARY GENERAL APPALLED BY ATTACK ON U.N. HEADQUARTERS IN BAGHDAD

VIENNA, 19 August 2003 -- OSCE Secretary General Jan Kubis expressed outrage on Tuesday over a bomb attack on United Nations Headquarters in Baghdad which caused numerous deaths and injuries.

"I am utterly appalled at this senseless and cowardly terrorist attack on people whose sole mission is to improve the lives of the people of Iraq," he said.

"Special Representative and High Commissioner for Human Rights Sergio Vieira de Mello is a valued friend and colleague whom I have known for many years. My thoughts are with him and all the victims of this terrible crime."

Shortly after his appointment as United Nations High Commissioner for Human Rights last year, Mr de Mello addressed the OSCE Permanent Council in Vienna. He noted that the two organizations were guided "by the need for an effective struggle against those forces that attempt to subvert and destroy international and domestic security, while at the same time upholding the benchmarks of commonly held values."

(End text of OSCE statement.)

(Begin text of OAS statement:)

Organization of American States (www.oas.org)

August 20, 2003

OAS SECRETARY GENERAL DEPLORES ATTACK AGAINST UNITED NATIONS IN IRAQ

The Secretary General of the Organization of American States (OAS), César Gaviria, today deplored the attack on the United Nations compound in Iraq and issued the following statement:

"Both personally and on behalf of the member countries of the Organization of American States, I would like to express our profound sorrow and indignation over the cowardly attack against the United Nations in Baghdad. Those who gave their lives were working in the service of humanity, and their loss touches not only their families and their countries, but indeed the world. We especially feel the loss of the great Brazilian diplomat Sergio Vieira de Mello, a true international civil servant who tirelessly defended human rights and dignity. We would also like to express our condolences to United Nations Secretary General Kofi Annan and offer him our continued support of his efforts to strengthen peace and security around the world.

"Once again we have been reminded of the horrors of terrorism, which has taken such a terrible and unprecedented toll in the last two years -- from Israel to Indonesia, from Baghdad to Bogotá. Since the attacks of September 11, 2001, the OAS member states have increased their cooperation against terrorism and have renewed their commitment to defeat this scourge. Every attack, whether it is against United Nations relief workers or civilians on a Jerusalem bus, represents an attack against all who love peace and freedom."

(End text of OAS statement.)

(Begin text of IMF statement:)

International Monetary Fund

August 19, 2003

STATEMENT BY IMF MANAGING
DIRECTOR HORST KÖHLER ON THE
ATTACK ON THE

U.N. HEADQUARTERS IN BAGHDAD

Horst Köhler, managing director of the International Monetary Fund (IMF), made the following statement on the attack on the U.N. headquarters building in Baghdad.

"I wish to express on behalf of the International Monetary Fund my deepest regret at the news of the death of Sergio Vieira de Mello, the U.N. Special Representative, and others killed and injured in the attack on the U.N. headquarters building in Baghdad.

"Five IMF members of staff, and an IMF security consultant, were at the scene of the explosion. Four staff members sustained injuries, for which they have received treatment. We have been unable to establish contact with the fifth staff member nor with the security consultant, but reports indicate that they were injured and are receiving treatment. At this time, our thoughts are with our colleagues and their families."

(End text of IMF statement.)

(Begin text of Brazilian government statement:)

Brazilian Embassy in London:

Death of Sérgio Vieira de Mello

The Brazilian government were shocked and deeply saddened to receive the news of the death of Sérgio Vieira de Mello, the Special Representative of the Secretary General of the United Nations in Iraq, in yesterday's barbaric and senseless terrorist attack. Sérgio Vieira de Mello always performed with dignity and utmost professionalism the difficult missions he was assigned in different countries around the world, including Cambodia, Bosnia and Kosovo. In East Timor, as head of the United Nations Transitional Authority, he played a fundamental role in the reconstruction of the country and the consolidation of its institutions. He

was a tireless defender of peace, human rights and multilateralism. He was an asset to his country and a source of pride for his compatriots. The President of Brazil has declared a period of mourning of three days, and as a posthumous honour has awarded Sérgio Vieira de Mello the National Order of Merit in the highest degree. The presidential jet has been made available for the purpose of transporting the body of Sr. de Mello back to Brazil, if his family so wishes. The Brazilian government, receiving countless messages of condolence from world leaders, express their profound sympathy to the family of Sérgio Vieira de Mello and share the pain of those who were close to him.

Source: Ministry for Foreign Relations
(End text of Brazilian statement)

(Begin text of British statement)

19/08/2003

Straw condemns bomb attack at Baghdad's U.N. headquarters

Foreign Secretary Jack Straw has said he is appalled by today's "callous attack" against the United Nations Headquarters in Baghdad. Responding to the death of United Nations envoy Sergio Vieira de Mello, Mr Straw said: "Iraq and the United Nations have lost an exceptional man."

"My thoughts are with the relatives and friends of those who have been killed and injured," he said.

Mr Straw said it is an attack against the country, its people and the whole international community and "a further reminder of the ruthless and callous elements at large in Iraq, many of whose type were behind the Saddam regime".

He said that the Government will do whatever it can to help the Coalition Provisional Authority, the Iraqi Governing Council and the Iraqi police force bring the perpetrators to justice.

"This will only reinforce our commitment to work for the peaceful, prosperous and democratic Iraq, which its people deserve."

Mr Straw paid tribute to U.N. envoy Sergio Vieira de Mello:

"Sergio Vieira de Mello's death is an utter tragedy. He was an outstanding international civil servant who had dedicated much of his life to the high ideals of the United Nations, and to putting those into practice at the frontline of conflict.

Mr de Mello was Special Representative for Kosovo in 1999; then headed the U.N. Mission in East Timor. Last year he was appointed U.N. High Commissioner for Human Rights.

Mr Sraw said:

"I met him most recently in Baghdad on 2 July. I was struck by his complete dedication and commitment to the reconstruction of Iraq. Above all he saw his task as bringing the people of Iraq back into the community of nations. Today Iraq and the United Nations have lost an exceptional man."

(End text of British statement)

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: U.N. Security Council Reaffirms Determination in Iraq

(Promises to help despite attack on U.N. headquarters in Baghdad)

The U.N. Security Council, in an August 20 statement, reaffirmed "its determination to assist the Iraqi people to build peace and justice in their county."

The statement, read by Syrian Ambassador Mikhail Wehbe, Security Council president for August, strongly condemned the August 19 terrorist attack on U.N. Headquarters in Baghdad and reiterated "the imperative to respect, in all circumstances, the safety and security of U.N. personnel and the need for adequate security measures to be taken."

Following is the text of the statement:

(begin text)

Presidential Statement

On the terrorist attack against the UNHQ in Baghdad

The Security Council unequivocally condemns the terrorist attack that took place on 19 August 2003 against the U.N. Headquarters in Baghdad and thereby against the international community as a whole, causing numerous deaths and injuries among international personnel and Iraqi people.

The Security Council condemns also in the strongest terms the perpetrators of such attack and underlines the need to bring them to justice.

The Security Council pays tribute and expresses its deepest admiration to all those among the U.N. personnel who have lost their lives or have been injured in the service of the United Nations and of the Iraqi people, including the Special Representative of the Secretary-General, Sergio Vieira De Mello.

The Security Council expresses its deepest sympathy and condolences to the victims and their families.

The Security Council reaffirms the imperative to respect, in all circumstances, the safety and security of U.N. personnel and the need for adequate security measures to be taken in this regard.

The Security Council reaffirms its determination to assist the Iraqi people to build peace and justice in their country and to determine their own political future by themselves. It welcomes in this regard the determination of the U.N. to continue its operation in Iraq to fulfill its mandate in the service of the Iraqi people, and will not be intimidated by such attacks.

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

U.S., U.N. Determined to Succeed in Iraq

(Powell, Annan discuss Iraq at U.N. headquarters in New York)

By Judy Aita
Washington File United Nations Correspondent

United Nations -- After a private meeting with U.N. Secretary General Kofi Annan at the United Nations in New York August 21, Secretary of State Colin Powell said that the United States will work with the United Nations on a new resolution to strengthen efforts in Iraq.

Talking with journalists after the meeting, Powell said that U.S. diplomats will be talking with Security Council colleagues to find "appropriate" language for a third resolution on Iraq since May.

"We're looking at ... reaffirming our determination to succeed in Iraq. We're looking forward to language that might call on member states to do more," the secretary of state said.

"Some 30 nations are now participating in coalition operations in Iraq. It is an international coalition," Powell said. "There are 22,000 troops there from these 30 nations. Five other nations are in the process of sending troops and 14 other nations are in conversation with the coalition on troop contributions."

"So that is an international presence," Powell said. "And we will continue to work with other nations who might be willing to make contributions."

"Perhaps the wording of a new resolution might encourage others to participate," the secretary said. Other issues on the role of the U.N. in Iraq "can be discussed in the course of our negotiations on a resolution."

Annan said he did not intend to recommend that the Security Council authorize U.N. peacekeepers, often referred to as "blue helmets," for Iraq.

"So really, it's ... a multinational force that oversees the security arrangements, with the U.N. focusing on the economic, political, and social areas, where we do our best work, including the humanitarian," the secretary general said.

Annan said he was optimistic that the council could agree on a new resolution, but said "it will take consultations and negotiations."

Regardless of the divisions before the war, he said, "we all realize that it is urgent to help bring peace to Iraq, bring peace to the region."

The secretary general emphasized that the stability of Iraq would be in everyone's interest. "This is why I would want to see everyone come together to help to stabilize Iraq and the region," Annan said.

"An Iraq that is destabilized, an Iraq that is in chaos, is not in the interest of the region or the world, and we do have a responsibility to ensure that," the secretary general said.

Talks with foreign ministers in the last few days have shown that "they were interested in moving forward and helping the Iraqi people," Powell said. He pointed out that since May the Security Council has passed resolutions 1483 and 1500 about helping Iraq.

"There is a willingness to come together to help the Iraqi people," the secretary of state said.

Resolution 1483, adopted May 22, states that the United Nations is resolved to play a vital role in humanitarian relief, reconstruction, and the restoration and establishment of national and local institutions for representative government. Resolution 1483 also sets out the areas in which the United Nations should be involved, such as refugees, human rights, and judicial reform, and it established the position of U.N. special envoy in Iraq. Resolution 1500, passed August 14, officially established the 300-person United Nations Assistance Mission for Iraq (UNAMI) for an initial period of 12 months.

Powell and Annan gave no indication on how the Coalition Provisional Authority and the U.N. Security Council will address the security concerns

in the aftermath of the devastating August 19 bombing of U.N. headquarters in Baghdad.

The security environment in Iraq is challenging, Powell said, "but we will work closely with the United Nations to make sure that they can perform their work in as safe an environment as is possible considering the circumstances. "

President Bush "has always felt that the U.N. has a vital role to play and he said that repeatedly. It is playing a vital role," he said.

Powell also said he brought condolences from President Bush on the death of U.N. Special Envoy Sergio Vieira de Mello and other U.N. staff, "who were working in the cause of peace, who were there to help the Iraqi people" when they were killed in the bombing.

The bombers, the secretary said, are terrorists and criminals "who were determined to stop us from helping the Iraqi people."

"They will not succeed. The United Nations remains committed, the coalition remains committed, the United States certainly remains committed to stay in Iraq and to make sure that the promise that was brought to Iraq by the elimination of the [Saddam] Hussein regime will be achieved, will be made available to every Iraqi citizen," Powell said.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Security Council Vows to Continue U.N.'s Work in Iraq

(Negroponte says U.S. will discuss possible new Security Council resolution)

By Judy Aita
Washington File United Nations Correspondent

United Nations -- After observing a minute of silence for those who died in Baghdad in the pursuit of peace, the Security Council August 20 "unequivocally condemned" the terrorist attack on U.N. headquarters and vowed to continue to help the Iraqi people build peace and justice in their country.

After an hour-long private meeting with Secretary General Kofi Annan to discuss the August 19 bombing that killed 20 and injured over 100, the Security Council went into a public session to adopt a formal statement that was a combination of condemnation, sympathy, and determination. In the park outside U.N. Headquarters hundreds of staff members held a candlelight vigil.

"The Security Council unequivocally condemns the terrorist attack that took place on 19 August 2003 against the U.N. Headquarters in Baghdad and thereby against the international community as a whole, causing numerous deaths and injuries among international personnel and Iraqi people," the council said in its statement read by Ambassador Mikhail Wehbe of Syria, president of the council for August.

"The Security Council condemns also in the strongest terms the perpetrators of such an attack and underlines the need to bring them to justice," the statement said.

Most important, the council reaffirmed its "determination to assist the Iraqi people to build peace and justice in their country and to determine their own political future by themselves." The council "welcomes ... the determination of the United Nations to continue its operation in Iraq to fulfill its mandate in the service of the Iraqi people, and will not be intimidated by such attacks," the statement concluded.

U.S. Ambassador John Negroponte announced after the meeting that Secretary of State Colin Powell will meet with Annan August 21 to discuss the security situation and the possibility of a new resolution on Iraq.

Negroponte said that "there is a lot of reflection and assessment as to what else might be done to deal with the many challenges that are faced in Iraq and

one of the possibilities that is being seriously thought about is the possibility of another U.N. Security Council resolution."

But the ambassador added that the United States "does not have any specific proposal to put on the table at the moment."

"This is one of the issues that we are going to be exchanging views on with colleagues in days ahead. But it is going to be in terms of what are the challenges we face and what further can the council do in order to face up to these challenges," he said.

In early July there had been talk of a resolution sought by some nations as a condition to contributing troops to the coalition force, but Negroponte said at that time that the United States felt that resolution 1483, passed in May, provided a sufficient basis for other nations' involvement in Iraq.

The United States has been "and continues to be a strong supporter of the United Nations," the ambassador said. "We have felt all along that the United Nations should play a vital role in Iraq in helping to restore its sovereignty and to build up its economy."

"We're gratified by the determination that the secretary general has expressed for the United Nations to continue its vital mission in the country of Iraq," Negroponte said.

Prior to the Security Council meeting the secretary general taped a message to U.N. staff around the world and the people of Iraq saying: "We will not be deterred. We will go on doing whatever we can to help build a better future for the Iraqi people."

Calling August 19 "the darkest day in our lives at the United Nations" and saying that the tragedy "feels like a nightmare from which we are still hoping to wake," Annan stressed that "only by carrying on with our mission can we begin to do justice to the memory of our slain colleagues."

"We have lost irreplaceable colleagues who went to Iraq with no other mission than to help the people of that country regain their full sovereignty and independence, under leaders of their own choosing.

Those colleagues have been murdered, for reasons we will never understand ... by an act so savage and senseless that we can hardly believe it really happened," Annan said.

In its statement the Security Council also paid tribute to and expressed its "deepest admiration" for the U.N. personnel who died or were injured.

At the time of the meeting the United Nations confirmed nine deaths: U.N. Special Representative Sergio Vieira de Mello of Brazil; Rick Hooper (United States) of the Department of Political Affairs; Ranillo Buenaventura (Philippines) and Martha Teas (United States) of the Office of the Coordinator of Humanitarian Affairs; Chris Klein-Beckman (Canada) of UNICEF; and Nadia Younes (Egypt), Marilyn Manuel (Philippines), Jean-Selim Kanaan (Egypt) and Fiona Watson (United Kingdom) of the Office of the Special Representative of the Secretary General.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

General Abizaid Says Terrorism Becoming Major Security Threat in Iraq

(Defense Department Report, August 21: Iraq Operational Update)

Terrorism is becoming the principal threat facing coalition forces in Iraq and the Iraqi people, the commander of the U.S. Central Command said August 21.

"Clearly, it is emerging as the No. 1 security threat, and we are applying a lot of time, energy and resources to identify it, understand it, and deal with it," Army General John Abizaid said at a Pentagon briefing.

His remarks came in the aftermath of a suicide bombing August 19 of the U.N. field mission

headquarters at the Canal Hotel in Baghdad that has killed at least 23 people and injured an estimated 100 people.

Abizaid said he believes the terrorist group Ansar al-Islam has increased its operations and migrated from the northern part of Iraq to an area near Baghdad "and we think that they're established there. It's not good for us when they get established in an urban area."

"And we know that there are other foreign fighters, and we've captured many of them, that have come across from Syria. The lines of the infiltration are difficult to stop because of the wide expanse of the border. But we're working very hard at getting a handle on what we need to do to stop infiltration there in conjunction with Iraqis," he said.

Abizaid said the terrorist cells operating in Iraq are established primarily in the Baghdad area but are "operating through some of the western areas, and the threat from the terrorists is increasing. And we will counter their actions appropriately."

Abizaid also said that, despite the security threats that have arisen in recent weeks, there is no need to expand the number of U.S. military personnel in Iraq, currently about 140,000. "It's not the lone American rifleman out there defending Iraq," he said. "We're working in conjunction with Iraqis to make the place a better place to live. That having been said, there's a hell of a lot more work that has to be done to secure Iraq in terms of building their capacity."

He said there are already more than 50,000 Iraqis under arms who are working in coordination with the coalition.

"We've got 35,000 people, for example, in the police forces," he said. "We've got a border force that's forming. We've got Iraqi Civil Defense Corps volunteers, over 2,300 of them, that have come forward to form battalions to work with our divisions."

Abizaid said it clearly is not an "American-only mission" in Iraq.

At the briefing, Defense Secretary Donald Rumsfeld said that the coalition "will not be dissuaded from its mission, not by sabotage, not by snipers and not by terrorists with car bombs."

"Thus far, 27 nations have sent forces to Iraq, and over 40 nations have pledged more than 3 billion [dollars] in assistance to help the Iraqi people," he said.

Rumsfeld also announced that coalition forces captured Iraqi General Ali Hasan al-Majid, known as "Chemical Ali" and "butcher of the Kurds" for killing thousands of Iraqi civilians with poisonous gas. He said that al-Majid, a cousin of Saddam Hussein and a former Iraqi Army sergeant, was the former Revolutionary Command Council Commander and was No. 5 on the coalition's most-wanted list of the defunct regime's leadership. He was captured August 17 along with several bodyguards.

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Transcript: Defense Department News Briefing, August 21, 2003

(Latin America/Rumsfeld Trip; U.N. Mission Bombing/Terrorist Attack; Chemical Ali Capture/Coalition Forces; Iraq Operations/U.S. Troop Levels; Terrorist Cells/Threat Increasing; ISAF Expansion/Afghanistan; Iraq Terrorists/State Sponsors; FARC/Colombian Borders)

Defense Secretary Donald Rumsfeld and Army General John Abizaid, commander of U.S. Central Command, briefed the news media at the Pentagon August 21.

Following is a transcript of the briefing:

(begin transcript)

United States Department of Defense
DoD News Briefing
Secretary of Defense Donald H. Rumsfeld
Thursday, August 21, 2003 -- 12:59 p.m. EDT

(Participating were Secretary of Defense Donald H. Rumsfeld and Gen. John Abizaid, commander, U.S. Central Command.)

Rumsfeld: Good afternoon. I'm pleased to have General John Abizaid with me today, the combatant commander of the Central Command. He's in the United States for briefings.

And before I turn the press briefing over to John and have him join me in answering questions, I'd like to say that I did just return from Colombia and Honduras, with some of those in this room. Both of those countries are steadfast allies and friends dedicated to the kind of work they're engaged in in the Global War On Terror.

Colombia, of course, is a nation that knows that threat posed by terrorists and terrorists operating in ungoverned, uncontrolled areas. Colombia is on the frontline in the war on terrorism. President Uribe and his team, in my view, are making solid progress in their battle against terrorists. The terrorist activity in rural areas is declining; desertions are up. And, as we know, accused drug traffickers are being extradited in very large numbers. Colombia has set in motion a plan that is bold and it's working, and they intend to win their war against terrorists.

Honduras was the first country in the Western Hemisphere that formally offered troops for stability operations in Iraq. Indeed, at this moment, some 300-plus Hondurans are en route to Iraq. They have infantry as well as military police. Many of them, I'm told, volunteered for this mission, which is a good thing. It's a difficult assignment; it's a half a world away from Honduras. And we appreciate their willingness to step forward the courageous decision of the president, the Congress and the Honduran people for sending them.

While in Colombia, of course, we learned the news of the bombing of the U.N. headquarters in Baghdad. Our hearts go out to the families and the loved ones of all of those who died in the terrorist attack and those who were wounded. The U.N. delegation was in Iraq to help the Iraqi people recover from decades of tyranny and oppression. So while this was an attack on a U.N. building, headquarters as such, it really was an attack on the Iraqi people.

The terrorists and the regime remnants see progress that is taking place across Iraq. The terrorists see that Iraqi people are reclaiming their country, starting independent newspapers, policing their own streets, forming municipal councils, civic institutions and political parties. They see the Iraqi Governing Council getting on its feet and paving the way for a new constitution and free elections. They see Iraqis putting the era of Saddam Hussein behind them.

These accomplishments are victories for the Iraqi people and defeats for the Ba'athists and their terrorist allies. This much is certain: their cause is lost. That regime will not be coming back. The coalition will not be dissuaded from its mission, not by sabotage, not by snipers and not by terrorists with car bombs.

The same day that the U.N. compound was attacked, coalition forces captured yet another fugitive on the "55 Most Wanted" list, one of Saddam Hussein's vice presidents. And today CENTCOM announced the capture of Chemical Ali, number five on the "Most Wanted" list.

Each day more Iraqis are coming forward with information, leading coalition forces to be able to find weapons caches, hideouts, and with their help, the coalition has now captured or killed 42 of the 55 "Most Wanted."

Thus far, 27 nations have sent forces to Iraq, and over 40 nations have pledged more than 3 billion (dollars) in assistance to help the Iraqi people.

The vast majority of the Iraqi people want peace. They want democracy, and they want the chance to build a free society. They deserve that chance, and a small minority in that country or individuals coming in from other countries are not going to be permitted to take it away from them.

General Abizaid, do you have anything you want to open with?

Abizaid: No, sir. I'm ready.

Rumsfeld: You're ready. All right. (Scattered laughter.)

Charlie?

Q: General Abizaid, I'd like to ask you: Despite the litany of successes that the secretary just mentioned, horrors like that car bomb loom large in people's minds. The secretary says that you told Secretary Wolfowitz that you don't need more troops, that you have a sufficient number of troops. And he says that --

Abizaid: U.S. troops.

Q: U.S. troops, right. And you said that it's up to the Iraqis to eventually provide their own security. However, apparently they can't do that now. What are you doing in the short term, short of adding more troops, to provide some security? Are you bringing in some policemen quickly or -- what are you doing in the short term to try to provide more security?

Abizaid: Well, thanks for that question. I think it's clear that we've got to do a lot more to bring an Iraqi face to the security establishments throughout Iraq very quickly.

Having said that, I think it's also important for people to know that there's more than 50,000 Iraqis already under arms that are working in coordination with the coalition. We've got 35,000 people, for example, in the police forces. We've got a border force that's forming. We've got Iraqi Civil Defense Corps volunteers -- over 2,300 of them -- that have come forward to form battalions to work with our divisions. We've got an awful lot of people that we've hired to defend infrastructure, somewhere close to 17,000. So --

Rumsfeld: This is in 3-1/2 months.

Abizaid: Yes, sir. Yeah.

Rumsfeld: This is the 50,000 or 60,000 Iraqis have been pulled together.

Abizaid: So it's not the lone American rifleman out there defending Iraq. We're working in conjunction with Iraqis to make the place a better place to live. That having been said, there's a hell of a lot more work that has to be done to secure Iraq in terms of building their capacity. And I know the secretary's

talked to you a number of times about what we want to do with regard to building international capacity. True, we've got 27 nations as part of the coalition. They're up over 20,000, and we hope to increase that number over time. We're hopeful that over time we get Islamic forces that would come into Iraq to help us.

So, it is not an American-only mission by any stretch of the imagination. It's an Iraqi mission, it is a coalition mission, and we are participating.

I also would just like to finish by saying, you know, we have over 1 million people under arms in the United States of America and it didn't protect us from what happened on 9/11. And the Israeli army, for all of its strength, was not protected from what happened in Jerusalem the other day. I mean, terrorist attacks can happen regardless of the strength of the military commitment. But over time, you'll see that we'll continue to make good progress on security.

Q: But the Iraqis can't do yet what you say they need to and what you want them to do. Is there anything being done -- are the Americans doing anything to increase security? Or can you, in fact?

Abizaid: Well, actually, we should be careful about saying the Iraqis can't do it. The Iraqis are fighting and dying out there, as well, against the people. I mean, Iraqi police are arresting people. Iraqi police are attacking former regime loyalists. They are moving with us, in conjunction with us, patrolling with us. They're doing an awful lot, and we shouldn't underestimate their contribution, it's quite high.

Q: Secretary Rumsfeld, and General Abizaid as well, you talked about there being enough U.S. troops. Secretary Powell was at the United Nations today, in talking about a resolution --

Rumsfeld: I think what I said was that General Abizaid has indicated that at the present time, he believes -- or you can say it yourself. At the present time, you believe that the U.S. level of forces is about right.

Q: So, if --

Abizaid: That's right! (Laughter.)

Rumsfeld: That's what you said before, right?

Abizaid: Yes sir, that's what I said.

Q: So, if a multinational force, beyond what is there now, is introduced, what do you see that force doing? Does it augment forces already there? Does it allow some of the U.S. troops, numbers, to be reduced? What do you see them doing? And also, training for those troops, what kind of troops they would be, what you need.

Abizaid: The question always comes up after a major incident: Do we need more troops? And I think before, I've answered the question by saying there's a lot of things that we need. Sometimes you have to change the way that you're using your troops; so you do tactics, techniques and procedures differently. We've made some adjustments. You have to bring in different types of troops. For example, you saw that as the 3rd Infantry Division, a heavy force, left, we brought in the 82nd Airborne Division -- lighter troops.

As foreign troops come in, as other coalition comes in, and as Iraqi forces become more mature, we intend to turn over some of the security duties, the internal security duties that we're currently doing, to them, and we'll adopt a more aggressive posture on external duties, such as borders or other sorts of things.

So, the number of troops, boots per square inch, is not the issue. It also -- the real issue, by the way, Martha, is intelligence. You have to have good, solid intelligence in a conflict such as this so you can get at the terrorists. That's the number one thing we've got to have, and we're working hard at it.

Rumsfeld: And I would add this, that the forces there are as General Abizaid has indicated. They are comprised of Americans, coalition forces and Iraqis. And the numbers of each change from time to time. The overall number is going up, and the reason it's going up is because the Iraqis have gone from zero up to 50,000 or 60,000 people with arms in participating in this process of providing security in the country.

The president has said -- and General Abizaid knows this -- that as far as the U.S. element, that we're -- we intend to see this through to success. And the president has indicated that whatever level of U.S. forces is appropriate, that the general will have that level. And he knows that.

And so it is important that we continue to bring in other countries, and Secretary Powell and General Abizaid and others have been working very hard on including other countries and trying to get them to send troops, and more are coming in continuously, and there's a very aggressive program going on to increase Iraqi forces.

Q: So it wouldn't necessary bring down the number of U.S. forces? So it wouldn't necessary bring down the number of U.S. forces?

Rumsfeld: Well, I think I answered it rather well. The level of U.S. forces will be totally a function of the general's recommendations to the president and to me.

Q: Mr. Secretary --

Rumsfeld: And the movement of the Iraqis or the coalition forces will -- it depends on what they're capable of doing, how they're organized and arranged, what's happening on the ground in the country. And trying to look ahead and anticipate and predict all of that is very difficult.

Yes.

Q: Mr. Secretary, there have been four or five terrorist-type incidents in the last week or so, starting with the bombing outside the Jordanian embassy, the pipeline being blown up. Does this indicate that the country is turning into a magnet for terrorism? And where are the people coming from that are doing this? Are they people that are coming across the borders? Are they foreigners? Do you have anything you can share on that?

Rumsfeld: Well, I'll answer the first part and let John answer the second part. There have been four of five terrorist actions around the world, which -- in various places around the world in any given period of time.

Q: I was talking about Iraq-proper.

Rumsfeld: I understand, but it is -- terrorist activity has been going on in our world for a long time. It is going on today. There's hardly a month that goes by where there is not some relatively significant terrorist act that occurs somewhere. The types of activities that are taking place in Iraq, you're right, there are -- there have been some very clearly identifiable terrorist acts. And you're wondering what kinds of people are doing it. And I'll let John -- he's been doing an analysis of that.

Abizaid: The terrorist problem -- I don't know whether I'd say that it's growing or has grown from what we might have expected otherwise, but, I mean, clearly, it is emerging as the number-one security threat, and we are applying a lot of time, energy and resources to identify it, understand it and deal with it. I've mentioned to you here before that we definitely knew we had a increase in Ansar al-Islam. We think they've migrated from the north down into Baghdad, and we think that they're established there. It's not good for us when they get established in an urban area, as you can well appreciate. And we know that there are other foreign fighters -- and we've captured many of them -- that have come across from Syria. The lines of infiltration are difficult to stop because of the wide expanse of the border. But we're working very hard at getting a handle on what we need to do to stop infiltration there, in conjunction with Iraqis.

Q: Is there any increase in those numbers coming through?

Abizaid: I wouldn't want to characterize it as an increase in numbers. I think that the terrorists cells are definitely established, primarily in Baghdad, operating through some of the western areas, and that the threat from the terrorists is increasing. And we will counter their actions appropriately.

Q: General, you said you've got enough troops. And, as you know, a number of outside military analysts have suggested you might need more to deal with the kinds of attacks that you're facing now. Is there a downside -- is there no benefit to adding more troops? Would that not be a more conservative approach?

Abizaid: Sure, there's -- if I may, Mr. Secretary.

I mean, there is a downside to having too many troops there. I mean, clearly, there's a downside where you increase your lines of communication, you increase your number of logistics troops, you increase the -- you know, the energy that you have to expend just to guard yourself. I have never been one in favor of huge, ponderous forces, but light, agile, mobile forces that not only can deal with the problem in Iraq, but throughout the theater.

Q: Mr. Secretary, you referred in your statement to the Ba'athists and their terrorist allies. Are you suggesting that there has now been a hook-up, so to speak, between Saddam Hussein loyalists and Ansar al-Islam and foreigners who are coming in across the borders?

Rumsfeld: All of those are active -- the remnants of the Ba'athists, the foreigners that are coming in to participate in terrorists activities, as well as criminals that ought to be mentioned.

The linkages. (To General Abizaid) Do you want to comment on any linkages between them?

Q: Have they established operational linkages?

Abizaid: We have clear indication of how the former Ba'athists are working. They work in cellular structure. We talked about it before. And the terrorists work in cellular structure. I wouldn't say that they have become allies per se, but I believe that there are some indications of cooperation in specific areas. And, of course, ideologically, they are not at all compatible. But on the other hand, you sometimes cooperate against what you consider a common enemy.

Q: Mr. Secretary, I was wondering, sir, while these terrorist activities were going on in Iraq, there was an uptick as well in activities in Afghanistan, which is also part of your command. Now, with NATO formally taking over there a couple weeks ago, do you think --

Rumsfeld: I think it's important to clarify, NATO took over the International Security Assistance Force (ISAF) in Kabul.

Q: And that goes to the heart of my question. Is it perhaps time to reconsider the request of President Karzai and others that the ISAF force that we were just talking about be permitted to expand beyond Kabul?

Rumsfeld: We have always -- the United States has always been happy to see the ISAF expand. The ISAF has not wanted to expand, and the people in charge of ISAF have not wanted to expand. And there have not -- in fact, we have spent a great deal of time just keeping an appropriate level of forces in the ISAF doing Kabul. But I do know that the people that were just relieved had a very specific indication that they did not want to extend it beyond Kabul. And I believe the leadership today that's doing it for NATO feels that way, is that not correct?

Abizaid: That's correct, sir.

Rumsfeld: So we'd be happy to have them expand.

Q: Mr. Secretary.

Q: General Abizaid. I'd like to just ask General Abizaid a question. Secretary Rumsfeld mentioned the capture of "Chemical Ali." Can you fill in some of the details of how that happened? And did you get any indication that he's had any hand in the anti-American violence or the sabotage that's been going on?

Abizaid: I really wouldn't want to talk about the details of the capture, because it would -- it would give away some things that we don't want to give away. But I would say that "Chemical Ali" has been active in some ways in influencing people in and around him in a regional way, and I think I would leave it at that.

Q: General?

Q: (Inaudible) -- where in Iraq he was captured?

Q: Arabic television has broadcast a statement from a group just a little while ago claiming responsibility for the Baghdad attack, and it's a group called the Armed Vanguard of the Second Mohammed Army. I'm not sure if this is fresh information. And number one, if you can tell us anything about this

group, whether you're ever heard of it. And General Abizaid, just to make sure we really understand what you were saying about terrorism emerging as the number-one security threat, can you help us understand -- can you put a time frame on that? And when you say terrorism is the number-one threat, are you also including the Ba'athists and the criminals, or are you really talking about what might be generally understood as these terrorist groups themselves, the outside fighters, so to speak?

Abizaid: The terrorist threat that is emerging and is certainly becoming a problem for us is clearly being fueled by extremists within a fairly distinct geographical area -- Tikrit; Ar Ramadi; Baghdad. They are clearly a problem for us because of the sophistication of their attacks and because of what I would call their tactics to go after Iraqis. Clearly they're going after Iraqis that are cooperating with us. They're going after soft targets of the international community. They're still seeking to inflict casualties upon the United States, and they will also seek to go after the infrastructure. But it's also interesting to me that as the -- as the Iraqi Governing Council becomes more assertive and as we've become more successful against the Ba'athist threat, you've seen people reverting or resorting to more terrorism. I think that's an indication, to a certain extent, of some success of some of our tactics against others.

Q: And have you ever heard of this group before?

Abizaid: I have heard of a group -- not the Second Vanguard but the First Vanguard. So I presume it's --

Q: Mr. Secretary, you've talked and Ambassador Bremer have talked about foreign fighters coming in across Syria, the border with Syria, and also through Iran. Do you believe any of these foreign fighters in Iraq are state-sponsored?

Rumsfeld: We've just been talking about these foreign fighters -- (laughs) -- as a matter of fact up at lunch.

Abizaid: I think the extremists are ideologically motivated to attack the United States and its interests wherever it may be. I believe that they are misguided. They're anti-Islamic. And they have

determined that to kill innocent women and children, regardless of the cost, that they can be successful and break our will.

Q: But do you believe that they're being supported or somehow supported by Syria or Iran?

Abizaid: I don't believe that I would say that they're state-supported, but they are supported by misguided people who think that sending money to them is okay.

Q: And finally --

Rumsfeld: And they're clearly being -- you want four questions or five? (Laughter.) They clearly are not being stopped by the countries from which they're coming.

Q: Mr. Secretary, going back to "Chemical Ali," could you, just in general, though, talk about the significance of his capture? Obviously it's an important capture. Could you explain the obvious reasons why, such as perhaps information about weapons, such as perhaps clues about the whereabouts of Saddam Hussein? Why is it significant that he was captured?

Rumsfeld: Well, we won't know, will we, until we have an opportunity to visit with him. And after that, we'll know a little bit more.

Yes?

Q: General Abizaid, just to be clear on this troop issue, are these troops you're now negotiating for from coalition countries in addition to the second division that you're hoping to fill? In other words, are you hoping to get more than that second division to, in essence, increase the troop strength in Iraq?

Abizaid: Sure. We have a British framework division. We have a Polish framework division that - and the Polish framework division will be ready to go and fully up, operational, on about the 3rd of September. And we are looking for another framework division above and beyond that, if not two.

Q: So in other words, that would take over one of the rotations for the U.S., or that would be in addition to the current plan for the rotation?

Abizaid: It depends upon the security situation. So it doesn't necessarily mean that additional foreign troops would cause a corresponding drawdown of American forces.

Rumsfeld: Yes.

Q: Mr. Secretary, according to Ahmed Chalabi, he warned the U.S. troops about the possibility of this attack against the U.N. Do you have any reports about it?

Rumsfeld: I do. It's not true. And I was handed, when I came down here, a statement by the Iraqi National Congress that apparently they have issued today, pointing out that that did not happen. And if somebody wants it, it's here.

Q: Do you promise to protect the U.N. since now on, maybe, to avoid that?

Rumsfeld: That's something that Ambassador Bremer and General Abizaid will sort through with the United Nations as they think through where they're going to be. And they made a conscious decision that they wanted to have contract protection, and that's what they've had for some period of time. And I don't know whether that might or might not change, depending on where they want to be located or what they may want to do.

Yes, Jim?

Q: In the case of the U.N. bombing, what's your understanding, General, as to, you know, what type of group caused that? Was it a suicide bombing? Were they Ba'athists? Were they foreigners? What do you know at this point?

Abizaid: I think it's best for me not to characterize it. I would prefer to see the FBI's report, our troops' report. Speculating on it now -- it could be nearly anything, so I don't want to speculate on it.

Q: General?

Q: Mr. Secretary?

Q: General Abizaid -- and for both of you, please. General Abizaid was quoted recently, hopefully accurately, as saying that Iraq is now the central battle in the war on terrorism. Ambassador Bremer said recently that he would rather be fighting these people in Baghdad and Iraq than in New York and Washington, and I think he added Chicago and Buffalo, yesterday. When President Bush was asked about foreign fighters coming into the country a couple of weeks ago, he got in a little hot water for saying "bring them on."

Isn't there -- or is there some dimension to this battle that almost welcomes these foreign fighters coming in so that you have an opportunity to engage them there with the U.S. military rather than having to deal with them on their terms?

Rumsfeld: Well, if they're coming in, this is their terms, obviously. They're entering voluntarily; they're not being invited in. And to the extent they do come in, General Abizaid and his people intend to capture or kill them. And so I can well understand Ambassador Bremer's comment.

Q: But isn't it part of -- I mean a function of the U.S. military?

Rumsfeld: Wait, wait, wait.

(To General Abizaid) Do you want to comment?

Abizaid: Actually, I very much agree with what Ambassador Bremer said, and I think Iraq is at the center of the global war on terrorism, just like CENTCOM stands at the heart of the Global War On Terrorism. It's important for all of us to know, by the way, that most of the countries in the region are fighting with us. I was just recently in Saudi Arabia. They're fighting for their lives there and they're doing a great job.

So, wherever we find the terrorists, we will find them, capture them, kill them, fight them, and we welcome the opportunity to do that because the region will not be safe and will not be prosperous until that threat is dealt with.

Rumsfeld: Yes?

Q: General, you mentioned that the Iraqis also are fighting and dying for their country. Can you give us a sense of the casualty rates among the Iraqi forces and civilian population?

Abizaid: No, I think that I don't have the numbers immediately available. But I think that you can go back and take a look and see that there are a substantial number of Iraqis fighting next to us for Iraq, that are fighting and dying for their country. And we respect that. In this fight against terrorism, they are fighting for terrorism.

I met with the Iraqi Governing Council the other day, and these are 25 of the most courageous people that I've seen in a long time, who are working day after day to make their country a better place. And they deserve our support, and they deserve our help. But they don't want us to win the war for them, they want to win the war on their own.

Q: Mr. Secretary, there are some initial reports out of Tokyo that the Japanese may have changed their minds about sending 1,000 SDF, self-defense forces, to join the coalition in Iraq. Do you have any information on that, sir? And what would that do to your plans to build a broader coalition?

Rumsfeld: Well, the coalition is already broad. And we're continuing -- other countries are continuing to come in. I have not seen these reports.

Q: Mr. Secretary?

Rumsfeld: Yes?

Q: Can I ask you about your trip south? There have been reports out of the region that the government of Venezuela has been backing the FARC rebels or terrorists. What's your view on that?

Rumsfeld: I suppose the best thing I can say is that the -- clearly, the government of Colombia is concerned about their border and the advantage that terrorist organizations throughout the world take of border situations. And the government of Colombia has received good cooperation from some of its neighbors in terms of helping to try to avoid having a border become an advantage for a terrorist organization. And I have not commented on the

border situation with Venezuela and Colombia. I'll leave that to Colombia.

Yes?

Q: Mr. Secretary, for the average American, the continued U.S. casualties, and the U.N. bombing and what the General says about more foreign terrorists coming into Iraq probably suggests that things are going badly; that they're getting worse instead of better. Is that a wrong perception?

Rumsfeld: Well, I don't know that you or anyone else can speak for the average American. (Laughs, laughter.) I don't think people would say that the Washington press corps is typical of the average American; now really, do you? (Laughter.)

Q: Don't be funny! (Laughter.)

Rumsfeld: (Laughs.) It's the preface that got me. (Laughter.)

I guess time will tell. My impression is that the American people have a very good center of gravity, and that they can kind of sort through and sift all they hear and all they see and all they read. And they were, as the world was, jolted on September 11th.

And the reality is that terrorists can attack in any country, at any time, in any place, using a whole host of different techniques. And we know that it is not possible to defend in every country on the face of the Earth against every type of technique at any time of the day or night. You can't do that. Therefore, the advantage is with the attacker. And therefore, the president has worked up a coalition now of some, I believe, 90 countries in the global war on terror that are exchanging intelligence information, that are cooperating in closing bank accounts, that are sharing information and police records, that are inhibiting people from moving across borders, that are trying to find ways to restrict funds from moving, because they're deeply concerned about the problem of terrorism. And the only way to deal with it is not to sit there and hope it doesn't hit you. The only way to deal with it is what the president is doing, and that is to put the enormous coalition together of 90 countries, put pressure on them all across the globe -- in Iraq, in Afghanistan, in other portions of CENTCOM and in other parts of the

world -- as we've just seen in Colombia and Honduras, where they're working these problems successfully.

That's the task, and it is something that takes patience. It's going to take time. There will be continued attacks as that process goes forward. But in the last analysis, either we do it, and we do it successfully, or free people are not going to be able to live as free people. And we are going to be successful.

Thank you very much.

End of official press briefing.

Rumsfeld: (to (To General Abizaid) Follow me here a second.

Rumsfeld and General Abizaid walk to the rear of the briefing studio and met with Katie Hanks, 9, a visitor to today's press briefing:

Rumsfeld: Who is this young lady with a smile?

Hanks: Katy Hanks. (Inaudible) I've got a question for you.

Rumsfeld: Go on make it an easy one for me I've had a tough day.

Hanks: Can you please describe the most unreported eventful progress in Iraq?

Rumsfeld: The most unreported.

Hanks: Progress (inaudible).

Rumsfeld: That's a very good question. What do you think is the most unreported eventful progress in Iraq?

-- the most unreported

Abizaid: That's the hardest question you've gotten all day Mr. Secretary.

[Laughter]

Abizaid: Man that's really good.

Rumsfeld: There's so many things happening, there are political like all the city councils that have been formed where the Iraqi people have come together and formed councils in the their little cities and are starting to take over governing responsibilities. There are economic things that are happening that are good.

Abizaid: Television dishes.

There are television dishes literally everywhere in Baghdad that Saddam Hussein wouldn't let be in there. And if you go now and you fly around Iraq you see television dishes everywhere broadcasting all the bad news.

Rumsfeld: Come back and see us.

You've got a great smile.

Hanks: Pleasure to meet you.

(end transcript)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Excerpt: Boucher: Russian Support for Iranian Nuclear Program Has Changed

(Spokesman credits years of diplomacy between Russia, U.S.)

State Department Spokesman Richard Boucher, speaking at the August 20 State Department briefing in Washington, said that Russian support for nuclear activity in Iran has changed as a result of U.S. diplomatic efforts.

"[I]t's been in recent months that the United States, through the efforts of Secretary [of State Colin] Powell and others has been able to see quite a change in the Russian attitude towards nuclear developments in Iran, as well as in the attitude of the international community as expressed in the IAEA and elsewhere," said Boucher.

The spokesman said U.S. policy has been very clear "about the need for Iran to end all support for terrorism."

Following is an excerpt from the August 20 State Department briefing:

(begin excerpt)

QUESTION: Richard, a respected Middle East expert and policy advisor, Michael Ledeen of American Enterprise Institute, has come out with some criticisms of Secretary Powell saying, in some respects, he's been diplomatically naive with respect to Iran. Is he justified?

MR. BOUCHER: I haven't seen the comment, but I think our policy on Iran is quite well expressed. We've been very, very clear. The Secretary has been very, very clear about the need for Iran to end all support for terrorism. The policy the administration has pursued in the IAEA and elsewhere in order to organize the international community to cut off support for nuclear efforts in Iran is showing some success. As you know, this is something that's pursued -- been pursued for many, many years. I remember Secretary Eagleburger talking to Foreign Minister Kozyrev about it, Russia's support for nuclear activity in Iran, and it's been in recent months that the United States, through the efforts of Secretary Powell and others has been able to see quite a change in the Russian attitude towards nuclear developments in Iran, as well as in the attitude of the international community as expressed in the IAEA and elsewhere.

So, I haven't seen the exact text of the criticism, but anything along those lines doesn't seem to correspond to any factual basis of what we're actually doing and achieving in terms of our policy towards Iran.

(end excerpt)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Middle East Terror "Has to End," Powell Says

(Secretary of state calls on Arab nations to press Hamas)

By Judy Aita
Washington File United Nations Correspondent

United Nations -- Secretary of State Colin Powell August 21 urged Arab nations and others to press radical groups to end the violence in the Middle East so that progress on the roadmap for peace between Israelis and Palestinians can proceed.

After a meeting with U.N. Secretary General Kofi Annan, Powell said, "I call upon all colleagues in the Security Council at the U.N. and other members of the international community, members of the Quartet [the United States, the United Nations, the European Union and Russia, when working together in support of the Middle East peace process], Arab nations to step up now and insist that the terror perpetrated by organizations such as Hamas must come to an end."

The secretary of state also called on Palestinian Chairman Yasser Arafat to work with Prime Minister Mahmoud Abbas "to make available to Prime Minister Abbas those security elements that are under his control so that they can allow progress to be made on the roadmap, end terror, end this violence that just results in the further repetition of the cycle that we've seen so often."

"It has to end. The Palestinian people, the Israeli people, deserve better," Powell said. "Those who are determined to blow up the roadmap must not be allowed to succeed."

Powell said that the new round of violence cannot be allowed to destroy the roadmap.

"The end of the roadmap is a cliff," the secretary of state said. "The alternative is what? Just more death and destruction? Let the terrorists win? Let those who have no interest in a Palestinian state win? Let those who have no interest but killing innocent people win? No. That is not an acceptable outcome."

"I think both parties realize it and I think both sides should recommit themselves to finding a way forward," Powell said.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Transition Progressing Well in Liberia, Say Powell and Annan

(ECOWAS force effective in advancing peace process)

By Judy Aita
Washington File United Nations Correspondent

United Nations -- Secretary of State Colin Powell and U.N. Secretary General Kofi Annan August 21 expressed satisfaction with the efforts to advance the peace process in Liberia.

Speaking to journalists after talks at U.N. headquarters on the August 19 bombing of U.N. field headquarters in Baghdad and the situations in the Middle East and Liberia, Powell said that the United States is "pleased at the progress made in Liberia so far."

"We see this morning the head of the transitional government has been named, and [are] pleased the United States was able to play a role in ECOWAS (Economic Community of West African States peacekeeping mission)," the secretary of state said.

"I'd like to congratulate the secretary general ... as well as the ECOWAS leadership for their efforts [in] getting Mr. [Charles] Taylor out of Monrovia and peacekeepers in," he said.

Annan said "we are making progress on both the political and military fronts, and we hope that in the

not-too-distant future we will be making even greater strides."

The United Nations announced August 21 that the 11-member U.N. assessment team sent by the secretary general had arrived in Liberia.

The team will help Annan and his special representative in Liberia, Jacques Klein, draw up recommendations for the U.N. Security Council on the size, structure, and mandate of the U.N. force, which will support a transitional government and help implement a comprehensive peace agreement. The U.N. mission is expected to replace the ECOWAS force in October.

Officials from the Office of the U.N. High Commissioner for Refugees (UNHCR) and representatives of other U.N. agencies have traveled outside the capital of Monrovia to get a clearer picture of the number of displaced persons and the humanitarian needs in those areas of Liberia, U.N. spokesman Fred Eckhard said.

For example, in the town of Tubmanburg, 50 kilometers north of Monrovia, "UNHCR says the displaced have been surviving mainly on cassava leaves and palm cabbage, and are in desperate need of food, health care, and sanitation," Eckhard said.

Meanwhile, the World Food Program continued distribution to some 9,000 displaced persons, bringing the total number of people reached with food aid this week to 45,000, he said.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: U.S. Gives Additional \$9.5 Million to Help Afghan Refugees

(U.S. aid for Afghan refugees totals \$216 million since Sept 2001)

To further assist Afghan refugees and returnees, the United States announced it is providing an

additional \$9.5 million to eight non-governmental organizations (NGOs).

"With these contributions, non-governmental organizations will continue to fill critical gaps in the sectors of shelter, health care, water and sanitation, and capacity building," a State Department media note dated August 21 said.

Some of the funding will be used to help Afghan women receive literacy and vocational skills training, as well as maternal and child health care, the media note said.

The media note mentioned that the State Department's Bureau of Population, Refugees, and Migration has provided \$216 million since September 2001 to assist Afghan refugees and returnees.

"This contribution has enabled the United Nations High Commissioner for Refugees to facilitate the voluntary repatriation of over 2 million Afghan refugees since March 2002, while continuing to provide protection and assistance to over 2.5 million refugees remaining in neighboring countries," said the note, urging other donors to provide their share of support.

Following is the text of the State Department media note:

(begin text)

U.S. DEPARTMENT OF STATE
Office of the Spokesman

For Immediate Release
August 21, 2003
2003/850

Media Note

U.S. Provides Additional \$9.5 million to Assist Afghan Refugees and Returnees

The United States is pleased to announce contributions totaling \$9.5 million to eight non-governmental organizations for 13 projects that will assist Afghan refugees and returnees. With these contributions, non-governmental organizations will

continue to fill critical gaps in the sectors of shelter, health care, water and sanitation, and capacity building. Three of the organizations -- Afghan Center, International Rescue Committee, and Relief International will implement projects to ensure that Afghan women receive literacy and vocational skills training. Two health projects implemented by the International Medical Corps will continue to offer maternal and child health care to newly-returned refugees inside Afghanistan and to Afghan refugees living in camps in Pakistan.

Since September 11, 2001, the Department of State's Bureau of Population, Refugees, and Migration has provided \$216 million to support Afghan refugees, returnees, and other conflict victims in Afghanistan and neighboring countries, including over \$40 million to non-governmental organizations. The United States has contributed \$105 million to the United Nations High Commissioner for Refugees for its Afghan operations since September 2001. This contribution has enabled the United Nations High Commissioner for Refugees to facilitate the voluntary repatriation of over 2 million Afghan refugees since March 2002, while continuing to provide protection and assistance to over 2.5 million refugees remaining in neighboring countries.

The ultimate success of the massive Afghanistan repatriation program depends on the international community's continued generous support for the United Nations High Commissioner for Refugees and its international and non-governmental organization partners. We urge other donors to do their share and support humanitarian organizations undertaking crucial work to support Afghan refugees, returnees, and internally displaced persons.

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: U.S. Seeks to Help Romania Achieve EU Environmental Standards

(Two USTDA grants for feasibility studies in energy sector)

The U.S. Trade and Development Agency (USTDA) on August 20 signed grant agreements totaling \$547,285 with two Romanian energy companies to help Romania achieve compliance with European Union environmental standards.

One grant for \$216,240 will be used to study the feasibility of converting the current manual blending systems at Petrom S.A.'s Arpechim and Petrobrazi oil refineries into automated in-line systems capable of producing tailored gasoline products. The conversion would improve the quality of gasoline, reduce storage tank requirements, and lower costs.

Another grant for \$331,045 will be used to study the feasibility of modernizing the existing sulfur recovery and sour water stripping systems at the Petromidia oil refinery, including development and operation of a gas desulfurization and sulfur recovery (GDSR) system. The upgrades would meet recently adopted Romanian wastewater treatment standards and would also enhance profitability.

Improvements at the three oil refineries would help Romania satisfy European Union requirements for gasoline, according to USTDA.

Following are press releases on the two grant agreements:

(begin text)

U.S. Trade and Development Agency
August 20, 2003

USTDA FUNDS STUDY ON IN-LINE
BLENDING SYSTEM AT PETROM'S
ARPECHIM AND PETROBRAZI REFINERIES
IN ROMANIA

BUCHAREST, ROMANIA - (August 20, 2003)
Earlier today, the U.S. Trade and Development Agency (USTDA) awarded a \$216,240 grant to Petrom S.A., to fund a feasibility study on the introduction of in-line blending systems at the company's Arpechim and Petrobrazi oil refineries. The grant illustrates the on-going USTDA commitment to assist Romania in applying environmentally sound technologies in its oil and

gas and petrochemical industries. Today's grant will help Romania satisfy European Union (EU) requirements for gasoline.

A signing ceremony conferring the grant was held at the American Center in Bucharest. Mr. Thomas Delare, Deputy Chief Mission at the U.S. Embassy in Bucharest, signed a grant agreement on behalf of the U.S. Government. Mr. Ion Ivanescu, Programs Development Director for Petrom S.A., signed on behalf of the Grantee.

The USTDA grant seeks to assist Petrom in the conversion of the current manual blending systems at the Arpechim and Petrobrazi refineries into automated in-line systems capable of producing tailored gasoline products. Specifically, the USTDA-funded study will recommend modifications to the current systems that will more efficiently utilize blending components, improve the quality of gasoline, reduce storage tank requirements, and lower costs. In addition, the implementation of in-line blending systems will assist Petrom in achieving product specifications in compliance with EURO 3 standards for gasoline and sulfur reduction.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

(end first USTDA press release)

(begin second USTDA press release)

U.S. Trade and Development Agency
August 20, 2003

USTDA GRANT SUPPORTS THE MODERNIZATION OF SULFUR RECOVERY AND SOUR WATER SYSTEMS IN ROMANIA

BUCHAREST, ROMANIA - (August 20, 2003) Earlier today, the U.S. Trade and Development Agency (USTDA) awarded a \$331,045 grant to Rompetrol Refining S.A., to fund a feasibility study on the modernization of existing sulfur recovery and sour water stripping systems at the Petromidia oil refinery in Romania. The study will also include the development and operation of a gas desulfurization and sulfur recovery (GDSR) system. The grant illustrates the on-going USTDA commitment to assist Romania in applying environmentally sound technologies in its oil and gas and petrochemical industries. Today's grant will help Romania satisfy European Union requirements for gasoline.

A signing ceremony conferring the grant was held at the American Center in Bucharest. Mr. Thomas Delare, Deputy Chief Mission at the U.S. Embassy in Bucharest, signed a grant agreement on behalf of the U.S. Government. Mr. Cantemir Mambet, Director of Rompetrol Refining S.A., signed on behalf of the Grantee.

The USTDA grant seeks to modernize and redevelop Petromidia's GDSR systems to help the refinery to comply with recently adopted Romanian wastewater treatment standards. Specifically, the USTDA-funded study will review and analyze the existing GDSR systems and make recommendations for equipment and technological upgrades. In addition, the study will propose changes in operational practices that will enhance profitability and meet environmental standards.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA

gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Transcript: U.S. Envoy to Pakistan Speaks on Sanctity of Contracts, Corruption

(Amb. Nancy Powell addresses anti-corruption conference in Islamabad)

U.S. Ambassador to Pakistan Nancy Powell urged public and private sector representatives in Pakistan to address international donor concerns over Pakistani transparency and accountability for funds given to promote the Pakistani economy.

Speaking in Islamabad August 20 at the Conference on Combating Corruption in the Public and Private Sectors, Powell said doubts remain among donors providing foreign direct investment over the sanctity of business contracts in Pakistan, as well as corruption in donor assistance. Those doubts, she said, have caused capital inflows into Pakistan to lag behind amounts invested in other Asian countries, falling "far short of Pakistan's obvious potential," and resulting in lower levels of job creation and overall slower economic growth.

"There is a growing sense among potential U.S. investors that foreign companies cannot count on timely and fair resolution of contractual disputes when they arise with Pakistani firms," said Powell. She cited a business dispute with U.S. investors that has remained tied up in Pakistani courts "despite a clear-cut [international] arbitration ruling in favor of the U.S. consortium."

"Word that international arbitration decisions are not respected in Pakistan and that court proceedings can drag on excessively spreads quickly through the international business community. The result is that Pakistan's reputation as a solid and reliable partner for investment suffers, and capital moves elsewhere," she said.

Powell also advised international donors, in the interests of transparency, to post the content and details of their programs in the Internet.

She praised the Pakistani government for working with the Asian Development Bank's "Access to Justice" program to upgrade the country's judiciary system, as well as a movement by the Ministry of Finance to review current legislation governing arbitral judgments and awards. However, she also urged the Pakistani parliament to ratify the 1958 New York Convention on international arbitral awards.

The ambassador said the United States intends to continue to work closely with the Pakistani public and private sectors to increase foreign direct investment into the country, which will help to create jobs and reduce poverty.

"But for this to occur," said Powell, "more does need to be done to assure potential foreign investors that Pakistan is indeed open for business. Absent this, needed foreign direct investment will flow elsewhere."

Following is the transcript of Ambassador Powell's remarks:

(begin transcript)

Transparency And Accountability: What's In It For You

Nancy J. Powell, Ambassador to Pakistan
Remarks to the Conference on Combating Corruption in the Public & Private Sectors
Islamabad, Pakistan
August 20, 2003

Thank you very much for the opportunity to join you today in an open and frank discussion of important subjects that, while sensitive, are critical to the social and economic health of each and every country in the world. I would like to touch on two of these subjects today: one is the importance of the sanctity of business contracts; the other is the problem of corruption in donor assistance to Pakistan. Both relate more generally to the issue of transparency and accountability in business and

commercial practices; issues on which all countries, including my own, should welcome on-going scrutiny and improvement in performance.

The level of foreign direct investment is one of the key indicators of a healthy economy. And while international investment in Pakistan rose significantly in the last fiscal year, it continues to lag behind capital inflows to other countries in Asia and the region. Most certainly, foreign direct investment flows into Pakistan have fallen far short of Pakistan's obvious potential. The result is lower levels of job creation and overall slower economic growth. There are several reasons why Pakistan is not drawing more long-term investment from abroad; one, of course, is the international perception of the security situation in Pakistan, something that continues to generate concern among investors. But also important are perceptions with regard to the sanctity of contracts and the slow pace of the judicial process. There is a growing sense among potential U.S. investors that foreign companies cannot count on timely and fair resolution of contractual disputes when they arise with Pakistani firms.

One current example is illustrative of this problem.

In the late 1990s, a consortium of U.S. investors entered into an agreement with a local partner. When a dispute arose with the Pakistani partner on performance obligations, the matter was taken to international arbitration under the terms of the original contract.

Now, almost five years later, and despite a clear-cut arbitration ruling in favor of the U.S. consortium, the matter is still tied up in Pakistani provincial and federal courts. Efforts by the Pakistani partner in U.S. courts to circumvent a preliminary arbitration ruling were dismissed - years ago.

Word that international arbitration decisions are not respected in Pakistan and that court proceedings can drag on excessively spreads quickly through the international business community. The result is that Pakistan's reputation as a solid and reliable partner for investment suffers, and capital moves elsewhere. I know that the Government, with the support of the Asian Development Bank's "Access to Justice" program, is working diligently to upgrade the

capacity of Pakistan's judiciary to function more effectively. This is important and necessary work that will help to address international investors' concerns.

I also understand that the Ministry of Finance is leading a working group that is reviewing current legislation governing arbitral judgments and awards. It is worth noting here that, while Pakistan is a signatory of the 1958 New York Convention on international arbitral awards, this agreement has never been ratified by Pakistan's parliament. I encourage the Government to move quickly to address this prominent investment irritant.

I would also like to say a few words today about allegations of corruption in donor assistance.

Transparency International's mission statement states that "Corruption is one of the greatest challenges of the contemporary world. It undermines good government, fundamentally distorts public policy, leads to the misallocation of resources, harms the private sector and private sector development, and particularly hurts the poor. Controlling it is only possible with the co-operation of a wide range of stakeholders in the system, including most importantly the state, civil society, and the private sector."

Your mission is a critical one and it is relevant to the donor process. The United States and all other bilateral and multilateral donors are frequently asked: Where did all the money go? Clearly, international donors want all assistance funds to go to the intended purpose, but until recently, we have not had reliable tools to monitor our funds along the way.

We believe that one tool to which an ever increasing number of citizens have access - the Internet -- can help all of us -- donors, recipients, and independent observers alike -- to keep better track of where funds are actually going. Later this year, USAID will begin posting the content of our programs on the Internet - a significant move towards greater transparency. We will inform the public about the programs we are funding and the results we expect to achieve. We will publish which organizations we have selected to implement our programs, the size and duration of the programs, and how you can

contact these organizations. We will also explain the process that resulted in the selection of recipient organizations. If the implementing organizations are using others as sub-grantees or subcontractors, we will identify them as well, and explain their role in the program. In addition, we will update progress towards results as the recipient organizations and our own monitors provide updates.

USAID almost always implements its programs through private organizations. We design our programs in close coordination with the Government of Pakistan: government officials help us select the organization and provide some oversight as well. However, we believe strongly that using the private sector and NGOs leads to great accountability, better performance, and more jobs for Pakistan. The same holds in the United States. Our Government is increasingly "out sourcing," or contracting out, functions that have traditionally been performed by the Government, because the private sector is often more efficient and less costly.

When, however, we do disburse funds directly to the Government, we will report even more information on our website. We will post how much money was provided to the Government, the purpose for the funds, and - most importantly -- how the Government spent the funds. In this way, the Government will be more accountable publicly for the USAID money it manages directly. We hope this will ensure that all expenditures directly support the goals of the program, and that these procedures will increase Pakistani confidence in our programs.

I hope Transparency International/Pakistan will support the United States government in our effort to encourage all donors - bilateral and multilateral - to render their assistance programs more transparent. We all talk a lot about transparency, good governance, and fighting corruption; here is something concrete we can all do to put some substance behind our words.

USAID has hired a local firm to design its new website, where very shortly all this information, and more, will be available. We would welcome other donors to contact USAID to learn from us how our procedures work. We would also welcome suggestions from other donors; we can and should exchange information and learn from each other. I

hope that a year from now, TI/Pakistan will be able to report that all of Pakistan's major donors have put their programs on the Internet for all to see.

Thank you again for the opportunity to speak to you for a few minutes today on two important topics. The United States would be very pleased, and we intend to continue to work closely with you, to ensure that foreign direct investment in Pakistan increases substantially in the coming years. Increased investment will lead to more job creation and a concomitant decrease in poverty. But for this to occur, more does need to be done to assure potential foreign investors that Pakistan is indeed open for business. Absent this, needed foreign direct investment will flow elsewhere.

The United States also seeks to ensure greater public confidence with regard to donor assistance and how and by whom it is being used. We believe that our initiative to place this information on the Internet will greatly increase transparency in the assistance process.

Thank you again

(end transcript)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: Operation Provide Hope: U.S. Medicines Delivered to Tajikistan

(Delivery of humanitarian medical assistance valued at \$17 million)

The State Department has delivered a shipment of medicines to Tajikistan valued at \$17 million. Some of the medicines were presented to the Children's Hospital in Dushanbe August 20. The remaining medicines will be distributed to hospitals and medical centers throughout the country.

The mission is part of Operation Provide Hope, a program implemented in 1992 to provide emergency humanitarian medical assistance to

Central Asia, according to the following State Department notice:

(begin text)

U.S. DEPARTMENT OF STATE
Office of the Spokesman
August 21, 2003

Media Note

U. S. - TAJIKISTAN: OPERATION PROVIDE HOPE

Delivery of Humanitarian Medical Assistance

On August 20, 2003, the U.S. Department of State took another step forward in its program of delivering humanitarian assistance to Central Asia by delivering a U.S. shipment of vital medicines to the Republic of Tajikistan, valued at \$17 million. The mission symbolizes the continuity of humanitarian shipments delivered through Operation Provide Hope, a program implemented in 1992 to provide emergency humanitarian medical assistance to Central Asia. The delivery aircraft, a U.S. Air Force C-17 Globemaster, was greeted by U.S. Ambassador to Tajikistan Franklin P. Huddle and Tajik Prime Minister Oqil Oquillov at an official ceremony and press conference. Later, in a second ceremony the medicines were presented to the Children's Hospital in Dushanbe. The remaining medicines will be distributed to hospitals and medical centers throughout the country.

Project HOPE, a U.S. non-governmental organization headquartered in Millwood, Virginia, is coordinating the distribution of medicines, with the assistance of Heart to Heart International and Counterpart International. The medicines were donated by various private U.S. pharmaceutical manufacturers.

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Transcript: U.S. Envoy Urges Attention to Pakistani Business Practices

(Ambassador Powell addresses anti-corruption conference in Islamabad)

U.S. Ambassador to Pakistan Nancy Powell urged public and private sector representatives in Pakistan to address international donor concerns over Pakistani transparency and accountability for funds given to promote the Pakistani economy.

Speaking in Islamabad August 20 at the Conference on Combating Corruption in the Public and Private Sectors, Powell said doubts remain among donors providing foreign direct investment over the sanctity of business contracts in Pakistan, as well as corruption in donor assistance. Those doubts, she said, have caused capital inflows into Pakistan to lag behind amounts invested in other Asian countries, falling "far short of Pakistan's obvious potential" and resulting in lower levels of job creation and overall slower economic growth.

"There is a growing sense among potential U.S. investors that foreign companies cannot count on timely and fair resolution of contractual disputes when they arise with Pakistani firms," said Powell. She cited a business dispute with U.S. investors that has remained tied up in Pakistani courts "despite a clear-cut [international] arbitration ruling in favor of the U.S. consortium."

"Word that international arbitration decisions are not respected in Pakistan and that court proceedings can drag on excessively spreads quickly through the international business community. The result is that Pakistan's reputation as a solid and reliable partner for investment suffers, and capital moves elsewhere," she said.

Powell also advised international donors, in the interests of transparency, to post the content and details of their programs in the Internet.

She praised the Pakistani government for working with the Asian Development Bank's "Access to Justice" program to upgrade the country's judiciary system, as well as a movement by the Ministry of Finance to review current legislation governing arbitral judgments and awards. However, she also

urged the Pakistani parliament to ratify the 1958 New York Convention on international arbitral awards.

The ambassador said the United States intends to continue to work closely with the Pakistani public and private sectors to increase foreign direct investment into the country, which will help to create jobs and reduce poverty.

"But for this to occur," said Powell, "more does need to be done to assure potential foreign investors that Pakistan is indeed open for business. Absent this, needed foreign direct investment will flow elsewhere."

Following is the transcript of Ambassador Powell's remarks:

(begin transcript)

Transparency And Accountability: What's In It For You

Nancy J. Powell, Ambassador to Pakistan
Remarks to the Conference on Combating
Corruption in the Public & Private Sectors
Islamabad, Pakistan
August 20, 2003

Thank you very much for the opportunity to join you today in an open and frank discussion of important subjects that, while sensitive, are critical to the social and economic health of each and every country in the world. I would like to touch on two of these subjects today: one is the importance of the sanctity of business contracts; the other is the problem of corruption in donor assistance to Pakistan. Both relate more generally to the issue of transparency and accountability in business and commercial practices; issues on which all countries, including my own, should welcome on-going scrutiny and improvement in performance.

The level of foreign direct investment is one of the key indicators of a healthy economy. And while international investment in Pakistan rose significantly in the last fiscal year, it continues to lag behind capital inflows to other countries in Asia and the region. Most certainly, foreign direct investment flows into Pakistan have fallen far short of

Pakistan's obvious potential. The result is lower levels of job creation and overall slower economic growth. There are several reasons why Pakistan is not drawing more long-term investment from abroad; one, of course, is the international perception of the security situation in Pakistan, something that continues to generate concern among investors. But also important are perceptions with regard to the sanctity of contracts and the slow pace of the judicial process. There is a growing sense among potential U.S. investors that foreign companies cannot count on timely and fair resolution of contractual disputes when they arise with Pakistani firms.

One current example is illustrative of this problem.

In the late 1990s, a consortium of U.S. investors entered into an agreement with a local partner. When a dispute arose with the Pakistani partner on performance obligations, the matter was taken to international arbitration under the terms of the original contract.

Now, almost five years later, and despite a clear-cut arbitration ruling in favor of the U.S. consortium, the matter is still tied up in Pakistani provincial and federal courts. Efforts by the Pakistani partner in U.S. courts to circumvent a preliminary arbitration ruling were dismissed - years ago.

Word that international arbitration decisions are not respected in Pakistan and that court proceedings can drag on excessively spreads quickly through the international business community. The result is that Pakistan's reputation as a solid and reliable partner for investment suffers, and capital moves elsewhere. I know that the Government, with the support of the Asian Development Bank's "Access to Justice" program, is working diligently to upgrade the capacity of Pakistan's judiciary to function more effectively. This is important and necessary work that will help to address international investors' concerns.

I also understand that the Ministry of Finance is leading a working group that is reviewing current legislation governing arbitral judgments and awards. It is worth noting here that, while Pakistan is a signatory of the 1958 New York Convention on international arbitral awards, this agreement has

never been ratified by Pakistan's parliament. I encourage the Government to move quickly to address this prominent investment irritant.

I would also like to say a few words today about allegations of corruption in donor assistance.

Transparency International's mission statement states that "Corruption is one of the greatest challenges of the contemporary world. It undermines good government, fundamentally distorts public policy, leads to the misallocation of resources, harms the private sector and private sector development, and particularly hurts the poor. Controlling it is only possible with the co-operation of a wide range of stakeholders in the system, including most importantly the state, civil society, and the private sector."

Your mission is a critical one and it is relevant to the donor process. The United States and all other bilateral and multilateral donors are frequently asked: Where did all the money go? Clearly, international donors want all assistance funds to go to the intended purpose, but until recently, we have not had reliable tools to monitor our funds along the way.

We believe that one tool to which an ever increasing number of citizens have access - the Internet -- can help all of us -- donors, recipients, and independent observers alike -- to keep better track of where funds are actually going. Later this year, USAID will begin posting the content of our programs on the Internet - a significant move towards greater transparency. We will inform the public about the programs we are funding and the results we expect to achieve. We will publish which organizations we have selected to implement our programs, the size and duration of the programs, and how you can contact these organizations. We will also explain the process that resulted in the selection of recipient organizations. If the implementing organizations are using others as sub-grantees or subcontractors, we will identify them as well, and explain their role in the program. In addition, we will update progress towards results as the recipient organizations and our own monitors provide updates.

USAID almost always implements its programs through private organizations. We design our

programs in close coordination with the Government of Pakistan: government officials help us select the organization and provide some oversight as well. However, we believe strongly that using the private sector and NGOs leads to great accountability, better performance, and more jobs for Pakistan. The same holds in the United States. Our Government is increasingly "out sourcing," or contracting out, functions that have traditionally been performed by the Government, because the private sector is often more efficient and less costly.

When, however, we do disburse funds directly to the Government, we will report even more information on our website. We will post how much money was provided to the Government, the purpose for the funds, and - most importantly -- how the Government spent the funds. In this way, the Government will be more accountable publicly for the USAID money it manages directly. We hope this will ensure that all expenditures directly support the goals of the program, and that these procedures will increase Pakistani confidence in our programs.

I hope Transparency International/Pakistan will support the United States government in our effort to encourage all donors - bilateral and multilateral - to render their assistance programs more transparent. We all talk a lot about transparency, good governance, and fighting corruption; here is something concrete we can all do to put some substance behind our words.

USAID has hired a local firm to design its new website, where very shortly all this information, and more, will be available. We would welcome other donors to contact USAID to learn from us how our procedures work. We would also welcome suggestions from other donors; we can and should exchange information and learn from each other. I hope that a year from now, TI/Pakistan will be able to report that all of Pakistan's major donors have put their programs on the Internet for all to see.

Thank you again for the opportunity to speak to you for a few minutes today on two important topics. The United States would be very pleased, and we intend to continue to work closely with you, to ensure that foreign direct investment in Pakistan increases substantially in the coming years. Increased investment will lead to more job creation

and a concomitant decrease in poverty. But for this to occur, more does need to be done to assure potential foreign investors that Pakistan is indeed open for business. Absent this, needed foreign direct investment will flow elsewhere.

The United States also seeks to ensure greater public confidence with regard to donor assistance and how and by whom it is being used. We believe that our initiative to place this information on the Internet will greatly increase transparency in the assistance process.

Thank you again

(end transcript)

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Transcript: White House Briefing, August 21, 2003

(Bush schedule, Iraq, United Nations, Powell/Annan, capture of Chemical Ali, Middle East)

White House Press Secretary Scott McClellan briefed reporters on Air Force One as they accompanied President Bush on a visit to Oregon.

Following is a transcript of the briefing:

(begin transcript)

THE WHITE HOUSE
Office of the Press Secretary (Portland, Oregon)
August 21, 2003

PRESS GAGGLE WITH SCOTT McCLELLAN

Aboard Air Force One En Route Portland, Oregon
9:47 A.M. PDT

MR. McCLELLAN: Good afternoon, poolers. Let me start by running through the President's day. The President had his usual briefings this morning before departing. At noon in Portland the President

will deliver remarks at a Bush-Cheney 2004 reception. And then we will depart for Redmond, Oregon, where at about 2:00 p.m. this afternoon the President will participate in a briefing on the Bear Butte and Booth fires in Deschutes National Forest. Following that briefing -- and that is pool coverage -- the President will participate in an aerial tour of the fires aboard Marine One. And then the President will deliver remarks on his Healthy Forest Initiative back at the Deschutes County Fairgrounds and Exposition Center.

Q: What time will that be?

MR. McCLELLAN: That's following the aerial tour, so as soon as that's done.

Q: How many fires is that, two?

MR. McCLELLAN: Yes. In his remarks the President will talk about his plan for sound, common-sense forest management policy, and the steps that we have already taken to prevent catastrophic fires that threaten life, property and habitat. The President will also talk about the results that we have been achieving working with local communities, conservationists and state officials. And the President will call on Congress to act.

The President will also, toward the end of his remarks, touch on the importance of passing comprehensive energy legislation, with mandatory and enforceable reliability standards that can help prevent future blackouts, like the one that occurred last week.

And then we overnight in Bend, Oregon. And with that, I'm glad to open up to questions.

Q: Scott, on Iraq, what additional steps now might need to be taken in the wake of the bombing at the U.N. in terms of maintaining security in Iraq? And are there any early estimates about how much more that might cost?

MR. McCLELLAN: Again, I think that I've made it -- I made the point previously that there are a lot of variables involved, in terms of the cost, that are involved. And we will always address those in a timely matter, in a manner to make sure that all the

resources that are needed are there. And that's something we work very closely with Congress on. There's already been talk about moving forward on an additional supplemental at the appropriate time.

But I think that the bombing on the United Nations' headquarters the other day refocuses the world's attention on fighting terror in Iraq and on making sure that we are doing everything we can to help the Iraqi people realize a better future.

Q: Do you think it will put pressure on other nations, maybe, to bear some of the brunt of that cost?

MR. McCLELLAN: Well, one, we are always in close consultation with others about ways that they can participate in the reconstruction. And so that's something we continue to discuss with other nations. That's why I said there are a lot of variables involved when you're talking about the cost. And as we know what the costs are, we have been outlining those costs and making sure that all the necessary resources are provided.

Q: What's the administration looking for in the way of a resolution at the United Nations?

MR. McCLELLAN: Secretary Powell and Secretary General Annan had a good discussion earlier today. There are some countries that have expressed concern about what they feel, you know, about what they believe -- that they believe may be needed -- that they may need additional authority to help in Iraq. A number of nations, under Security Council resolution 1483, are already participating in reconstruction. We've been in discussion with others, that some are preparing to help out. And there are a number of ongoing discussions about other nations to come -- I think there are some 30 countries that are already participating. But we are in dialogue with those countries that have expressed concerns. Secretary Powell had a good discussion with Secretary General Annan earlier today about how we can move forward, so that some of those countries that want to participate can participate.

Q: Are you willing to give the U.N. a larger political role of some sort in Iraq? Are you willing to look at that?

MR. McCLELLAN: Well, one, the United Nations has an important role to play. And they have been playing an important role in the reconstruction and humanitarian assistance in Iraq. So those are discussions we continue to have with the United Nations. I think Secretary General Annan reaffirmed the commitment of the United Nations to help with reconstruction in Iraq.

Q: Right, but some said a broader role is needed, a broader political authority, political endorsement of the occupation is needed from the United Nations.

MR. McCLELLAN: Well, and that's -- if you're going to the countries that have expressed some concerns, saying that they feel like they need additional authority to participate, help the people of Iraq, those are discussions that were held earlier today. They're discussions that have been going on with some of those countries previously.

Again, 1483 we have always said provides sufficient authority for countries to participate and help in Iraq. And a number -- some 30 countries already are participating in our efforts in Iraq, and there are several others that are preparing to send troops. And then there are a number of others, beyond that, that we are in discussion with.

Q: Are these concerns that have been raised since the bombing this week or -- I mean, are there additional and new concerns, or are these ongoing concerns?

MR. McCLELLAN: What are you talking about -- I'm sorry?

Q: You talked about countries raising concerns and needing more authority. Are these new --

MR. McCLELLAN: This is something I've expressed previously, when we've talked about -- when this issue has come up. You all have asked questions about other countries participating in the reconstruction efforts. I've always pointed out that there are a lot of countries already participating with the coalition in the stabilization and reconstruction of Iraq.

But there are some countries that feel like they might need additional authority beyond 1483 so that

they can participate. And those are the discussions that Secretary Powell and Secretary General Annan had earlier today. Those are discussions that Secretary Powell has had with other -- those countries, as well. Q New concerns that have been raised since Tuesday, is what I'm asking.

MR. McCLELLAN: I'm sorry?

Q: Are there new concerns that have been raised by other countries since Tuesday?

MR. McCLELLAN: You'd have to ask the countries those questions. If you're asking about security, that's something that's always discussed, that obviously all nations look at their own individual security concerns. But the coalition is working very closely with them to address any of those concerns.

Q: Can you talk about what the White House knows about the capture of Chemical Ali and what you guys see is the significance?

MR. McCLELLAN: The President was informed earlier today in his briefing this morning. Obviously -- I think Chemical Ali exemplified the brutality of Saddam Hussein's regime. It is another important step in going after the remnants of the former regime, and it's further reassurance to the Iraqi people that we continue to hunt down those remnants of the former regime and make sure that they are brought to justice.

Q: Was he found because of cooperation from Iraqis?

MR. McCLELLAN: I think you need to talk to -- talk to our military leaders in the region about the specifics of the capture.

Q: Scott, has the problem changed now, though? Is it people like Chemical Ali that are still the problem in Iraq, or is it this -- new forces coming in? Is it al Qaeda? Has the problem changed from the former regime to --

MR. McCLELLAN: There's both. There's remnants of the former regime, and there are foreign terrorists in Iraq that are enemies of the Iraqi people, that are enemies of peace and freedom. And we continue to be on the offensive, our

coalition forces, going after these remnants and going after these killers, to bring them to justice. We will continue to hunt them down and we will defeat them.

Q: Middle East -- more air strikes. Is the President concerned that the cycle of violence is repeating itself?

MR. McCLELLAN: I'm sorry?

Q: The Middle East, is the President concerned the cycle of violence is repeating itself?

MR. McCLELLAN: I think what is important to emphasize is the need for the parties to work together to resolve these matters. We remain fully engaged in the Middle East peace process. Secretary Powell and Condi Rice have continued to talk to parties in the region. Ambassador Wolf was meeting with parties in the region. All parties have responsibilities, including the Arab nations, to do everything they can to help end terrorism.

But it's important for the parties to get back -- both parties to get back talking to one another. It's important for the parties to work together to resolve these matters. But the foundation for moving forward on the peace process to a two-state solution is the dismantlement of terrorist organizations and the dismantlement of terrorist infrastructure. That's the way forward. That's the foundation for moving forward in the Middle East.

Q: It looked like Abbas was ready to take some significant new steps toward some of the terrorist groups, and then the Israelis came in and had one of their pinpoint strikes. Is that helpful, in the view of the White House?

MR. McCLELLAN: Well, a couple of things there. One, the parties need to work together to resolve these matters.

Q: You're not saying anything toward the Israelis?

MR. McCLELLAN: The Israelis, or Israel has a right to defend herself. But Israel needs to take into account the effect that actions they take have on the peace process. So we're continuing to talk with the

parties, continuing to urge them to work together to resolve these matters.

Q: It sounds like you're saying it's not helpful.

MR. McCLELLAN: What I'm saying is that they need to take into account the effect of the actions that they take. That's why it's important for the parties to work together.

Q: To work together --

MR. McCLELLAN: To work together, to be talking with one -- that's right, to be talking with one another to resolve these matters.

Q: Rather than go it alone and do it alone?

MR. McCLELLAN: I'm sorry?

Q: Rather than go it alone and launch a strike --

MR. McCLELLAN: I don't know what you mean by go it alone, but in terms of --

Q: Israel didn't work with Abbas on this pinpoint strike today, they did it on their own.

MR. McCLELLAN: That's why I said what I said, that Israel has a right to defend herself, but they need to take into account the effect of their actions.

Q: Does today's action constitute Israel defending itself, or did it go beyond that, in your judgment?

MR. McCLELLAN: Well, I think what our focus is on is talking to the parties and getting the parties to get back together, so they can talk with one another and resolve these matters. That's what our focus is.

Q: How do you want to increase the chances of that happening?

MR. McCLELLAN: I'm sorry?

Q: How would you like to see that happen, or --

MR. McCLELLAN: That's the discussions that we have with the parties in the region. That's the discussions that are ongoing as we travel here on Air Force One.

Q: Back to the U.N. I didn't quite understand the answer on Randy's question. Is the United States willing to cede political control to the U.N. -- some political control over Iraq, in other words, perhaps an official of the stature of Ambassador Bremer from the U.N.? Not just a humanitarian mission for the U.N., but a governing --

MR. McCLELLAN: Keep in mind that the United Nations had a representative there, Sergio de Mello, who was working very closely with Ambassador Bremer. And the United Nations has been and will continue to work closely with us in Iraq, as Secretary Annan said earlier today and said yesterday when he reaffirmed the United Nations' commitment to helping the Iraqi people. This is an effort that is led by the coalition provisional authority, and that's where it stands.

Q: But this wouldn't even be a question if it weren't for the fact that some people feel like the role that the U.N. had wasn't enough. I mean, otherwise we wouldn't even be asking this question.

MR. McCLELLAN: I'm sorry?

Q: We wouldn't even be asking this question if some people didn't feel like that role that you keep talking about was enough.

MR. McCLELLAN: We continue to -- and Secretary Powell said earlier today that the United Nations has a vital role to play. They've been playing a vital role and they will continue to. And we will continue to work closely with the United Nations.

Q: But that role, now, is defined as strictly humanitarian. Is there any -- are you saying -- does it have to remain that way?

MR. McCLELLAN: They've been helping with reconstruction and humanitarian efforts.

Q: But not political.

MR. McCLELLAN: Well, the U.N. is working very closely with us and we appreciate their help.

All right, thanks.

Q: How much is the fundraiser?

MR. McCLELLAN: Check with the campaign.

Q: Is the fundraiser tomorrow night kind of a different animal than the ones we've had so far?

MR. McCLELLAN: It's at a residence.

Q: But it's still the same structure, \$2,000 a plate?

MR. McCLELLAN: You'd have to double-check with the campaign. It is a campaign reception. It's just at a private residence, which when we do those, that's why it's not open.

END 10:02 A.M. PDT

(end transcript)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Transcript: State Department Briefing, August 21, 2003

(Department, Israel/Palestinians, Iraq, Libya, China)

State Department Spokesman Richard Boucher briefed.

Following is a transcript of the briefing:

(begin transcript)

U.S. DEPARTMENT OF STATE
DAILY PRESS BRIEFING
THURSDAY, AUGUST 21 2003
(ON THE RECORD UNLESS OTHERWISE NOTED)

12:45 p.m. EDT

BRIEFER: Richard Boucher, Spokesman

Index

DEPARTMENT

Flags Lowered at U.S. Embassies and Consulates to Honor the Life of Sergio de Mello

ISRAEL/PALESTINIANS

Killing of Leading Hamas Figure

Secretary Powell's Phone Calls

Status of the Roadmap/Recent Violence

Palestinian Authority's Efforts to Stop Violence

IRAQ

New Security Council Resolution/Additional International Troops

United Nations' Role in Iraq

Contracts for Iraqi Oil

Group Claims Responsibility for UN Headquarters Bombing

Bombing

LIBYA

Security Council Vote on Lifting Sanctions on Libya

Transfer of Funds to Families of Pan Am 103 Families

CHINA

Backsliding of Human Rights

MR. BOUCHER: Good afternoon, ladies and gentlemen. If I can, at the top, I'd just like to tell you about one thing. The Secretary directed that, in honor of the late Sergio Vieira de Mello, flags at all United States diplomatic and consular facilities be brought to half staff. Flags will remain at half staff through the end of the day on Thursday, August 21st. That's one of our ways of honoring a gentleman who we have enormous regard for.

I think that's all I have to say in the way of statements, so I'd be glad to take your questions.

Do you want to start?

QUESTION: Do you have any particular comment to make on Israel's killing of this senior Hamas figure this morning? Do you regard it as a targeted assassination? Do you think they should try to refrain from such acts?

MR. BOUCHER: I don't have any particular comment to make on that. I would comment on the overall situation. I think first of all, to refer you to the remarks the Secretary made this morning, how important it is to insist that terror perpetrated

by organizations such as Hamas come to an end. And the Secretary has made clear in his various conversations with Prime Minister Abbas, with Arab leaders such as Foreign Minister Muasher and Foreign Minister Saud, who he talked to yesterday, the importance that all the parties, the Palestinians, take immediate steps against these organizations, but also that all the people involved in the region take essential steps to cut off any kinds of support or any kinds of finance that might be reaching terrorist groups such as Hamas. That's been a topic of discussion with the Europeans as well. So we have been active on that.

I think the basic point, though, is that we want the parties to look for ways to move forward, to -- we understand that the big question right now is security after the horrible bombing in Jerusalem, that people need to establish security. We've been quite clear that Israel has a right to defend itself. We've also been clear the parties need to think about the consequences and to establish security in a way that moves forward, and that next steps are dismantling the organizations that produce the terror.

QUESTION: Do you see this particular killing as self-defense?

MR. BOUCHER: I'm not able to characterize that particular action. I think we have been quite clear that Israel has a right for self-defense.

QUESTION: Do you think it makes it easier or harder to move forward?

MR. BOUCHER: I'm not going to characterize that, either. I think as we have said, the parties need to think about how to move forward, they need to think about the consequences of their action.

QUESTION: Has the Secretary made any calls on this today, and could you read out any other calls he made besides Muasher and Abdullah that he made yesterday that we didn't hear about? Or that relative to this?

MR. BOUCHER: The calls on this today -- no, he hasn't made calls to the region, but --

QUESTION: Didn't you say Abdullah?

MR. BOUCHER: No, Saud.

QUESTION: I apologize.

MR. BOUCHER: Yesterday, the Secretary was on the phone all day long on a variety of topics. With most, for example, the Europeans, it was, obviously, Baghdad, Iraq, the new UN resolution, the Middle East. With some of them it was the status of the Libya resolution. With the Palestinians and the Arabs it was the Middle East, the need to end the violence, action on security, actions that the Palestinians can take but also actions that everybody should be taking to squeeze the terrorist groups, put them out of the business of terrorism, put them out of business, period.

So the list yesterday was Foreign Minister Villepin of France, Foreign Secretary Straw of the United Kingdom, German Foreign Minister Fischer, European High Representative Solana and Palestinian Authority Prime Minister Abbas, Italian Foreign Minister Fratini, United Nations Secretary General Annan, Jordanian Foreign Minister Muasher, Spanish Foreign Minister Palacio twice, Saudi Foreign Minister Saud, and Brazilian Foreign Minister Amorim. This morning, he has talked again with the Brazilian Foreign Minister. That's what we have so far.

QUESTION: Richard, building on the Secretary's cliff metaphor from the UN, how close -- how close are they, these lemmings, to falling off or running off the cliff?

MR. BOUCHER: I don't think it's a metaphor that -- first of all, the Secretary didn't use the word "lemmings." But second of all --

QUESTION: Well, it springs to mind --

MR. BOUCHER: Well, it springs to some minds maybe, not mine. But the --

QUESTION: Creative minds.

(Laughter.)

MR. BOUCHER: I see. All right. Creative minds might want to estimate the distance, but we're not measuring distances to cliffs at this point.

QUESTION: Well, I mean --

MR. BOUCHER: Just making clear that the direction -- you know, this is --

QUESTION: How fragile does the United States think the situation is? I mean, you've got Ambassador Wolf over there; presumably, you can tell us something about what he has been doing. He, Ambassador Wolf, went there on an urgent mission.

MR. BOUCHER: It was important. It was urgent to get Ambassador Wolf back in the region, and he has been active with both sides. We -- the Secretary himself has been in touch with the parties. The Secretary has been in touch with a variety of people who could help press this forward in a way that ends terrorism, that ends the terrorist -- the ability of terrorist organizations to carry out their actions.

So that, I think, is clear. That's the direction that we want to move in. And we have been quite clear we need to move forward -- forward with the steps that are needed to establish security. And that means dismantling the terror organizations.

QUESTION: Can you tell us if Ambassador Wolf has reported any progress in his mission?

MR. BOUCHER: I don't have any new reports or characterizations from him. As you know, he has been -- all along, as he has been working with the sides, he has been encouraging their talks, encouraging their steps. Clearly, what we're looking to see now are steps from the Palestinian side to move on security. And those are, I think, what -- you know, how we will judge progress or not.

QUESTION: The Secretary made an appeal directly to Chairman Arafat to use the security forces that are under his control to try to crack down on, to stop some of this violence. Do you think that he, perhaps, has the muscle to do this and that Prime Minister Abbas, perhaps, just doesn't?

MR. BOUCHER: No. I -- first of all, that's not exactly the way the Secretary put it and I think it is important to recognize that what the Secretary said is, "I call on Chairman Arafat to work with Prime Minister Abbas and to make available to Prime Minister Abbas those security elements that are under his control."

And, as you know -- we have talked about this any times -- in the appointment and the authorities given to the cabinet and to Prime Minister Abbas there was still some split in the security organizations.

We said at the time that we thought that Prime Minister Abbas had authority to carry out steps and, indeed, he has had the authority or the capability to carry out steps on security, like establishing security in Gaza, taking over responsibility there, taking over responsibility of Bethlehem. So that has happened.

But, at the same time, that split still remains. There is still not clear authority over all the security apparatus, and in order to carry out the kind of serious and immediate steps that are needed right now, we think he does need to have control over all the security elements, and that's what the Secretary is pressing for.

QUESTION: Are you -- other than making this public call to Chairman Arafat, has anybody -- are any U.S. officials talking to him directly to try to convey that?

MR. BOUCHER: No, no. But I'm sure others are.

QUESTION: Is there any thought of a somewhat higher level official going to the region?

MR. BOUCHER: Well, there always is and there -- I mean, we've talked all along about having periodic high-level visits. I don't have anything at this point planned, but --

QUESTION: On Arshad's question, has the Secretary, in any of his conversations, conveyed the desire to get the message to Arafat through those parties that are still talking to him?

MR. BOUCHER: He has always, I think, made the point in his conversations, including his

conversations in recent days, that people need to get the message to Arafat to allow Prime Minister Abbas to move forward on these steps, that he needs to cooperate, needs to stop blocking steps that need to be taken, and this is part of that.

So I think if you can sort of look at it as several circles, the innermost circle is the Palestinian Authority and our discussions with them, and what we encourage others to tell them is you have to move now on security.

The next circle are, say, the Arab parties and some of the other parties where there might be finance, there might be some ability to operate, as in Syria, of Hamas, Palestinian Islamic Jihad. We want those people, we're telling all those people, to do everything they can to make sure there's no money, there's no support, there's no ability to operate.

And then there's another circle, which is, maybe most of the -- some of the Europeans, where there are other steps that they can take to encourage this process along, to stop the broader flow of finance or other things that might go to Hamas and countries like that.

And so we -- the Secretary in his conversations has been working all those different levels of the problem to make sure that we're focused on effective steps on security that can help the Palestinian Authority dismantle the organizations that have been perpetrating terror.

QUESTION: Some of these European nations still have relationships with Arafat. Is Secretary Powell urging these countries to stop speaking with him --

MR. BOUCHER: Our position on that has really not changed, but we do encourage those who do have some contact to make clear these points that I went over just a little while ago.

Terri.

QUESTION: The Palestinians said that they were working out an operation on their own to dismantle the terrorist groups when the attack was made, when the targeted killing happened. Did Prime Minister Abbas share in advance some of that with Secretary Powell, that you could share with us?

MR. BOUCHER: No.

QUESTION: No to which question? The second one?

MR. BOUCHER: Yeah.

QUESTION: Okay.

MR. BOUCHER: I think I described the conversation yesterday with Prime Minister Abbas. I'll leave it at that for the moment.

QUESTION: Anything you can tell us about anyone in the Administration from this city or this area talking to Dahlan, himself, about steps, rather than Abbas?

MR. BOUCHER: I don't know if we have. We've certainly maintained close contact with him, whether it's John Wolf, Ambassador Wolf, in the region or our Consul General. Sometimes people here talk to him on the phone. So I just don't track those conversations that much, but there's frequent contact.

QUESTION: Is there any sense that you would care to disclose about the adequacy of the steps before now? Any frustration in the Administration, which some speak of anonymously that perhaps he could have done more in recent weeks -- Dahlan, in particular?

MR. BOUCHER: Without getting personal, I think, to look at what the Palestinian Authority has done, they have taken some steps, but we have always made clear that more needed to be done and that more needs to be done.

So the goal -- you know, before the bombing, the President said the most important thing is dismantling the terrorist organizations. And that has been what we've raised in public, what we've raised in private, and continues to be; and that the pressing need to do that is all the more apparent now, except very sadly.

QUESTION: Some of the Palestine militant organizations have called an end to their self-imposed ceasefire. Do you -- would you like to see

them return to a ceasefire, or are you no longer interested in that and you simply want to see them dismantled and taken apart?

MR. BOUCHER: We have always said we want to see them put out of the business of terrorism. We have allowed -- we have, I guess, acknowledged that the Palestinian Authority, having this responsibility, also has to figure out how to go about it. But the point is that they need to be put out of the business of terrorism, and that's what we are continuing to press for.

So, you know, I go back to the phrase I use all the time: It's not what they will or won't do; it's what they can and cannot do. And they cannot -- these organizations cannot have the capability to carry out terrorism.

QUESTION: Can we move on?

QUESTION: Just a little more on the ceasefire. Is -- would it be a good thing to -- would a ceasefire, a return to the ceasefire, contribute to -- be a positive step?

MR. BOUCHER: I don't think I can really characterize it in that fashion. As you know, when it was originally decided, when they originally announced their ceasefire, we made clear that while we respected the decisions of the Palestinian Authority to go about the elimination of terrorists, or terror capabilities in that fashion, a ceasefire was never an end in itself; a ceasefire was maybe a mechanism or step along the way, but the goal had to be to eliminate the terrorist capability. And that remains the goal. That's where the final judgment needs to be made: Do these organizations get put out of business?

QUESTION: And if -- just on this subject. I know you were very careful yesterday about, when asked about -- to expand on your comment that security, understandably, was the priority now. But again, if I may, I would like to ask whether that implies that it would be understandable that the reciprocal steps under the roadmap of pulling back forces by Israel and other steps that we all know, whether it would be understandable that there would be a pause now in such steps while security is being attended to by Israel.

MR. BOUCHER: If I remember correctly, I said yesterday we could understand those decisions.

QUESTION: On Iraq? The UN?

MR. BOUCHER: Okay.

QUESTION: What exactly are you looking for in a new resolution?

MR. BOUCHER: The Secretary, I think, discussed this to some extent this morning, so let's start with that as the --

QUESTION: If you could fill out what he said.

MR. BOUCHER: Yeah, start with that as the beginning, as the basis.

As he said, the goal is to make sure that the UN can carry out its important work and the international community can support the important work the United Nations is doing and support the people of Iraq as they try to reestablish, reconstruct their country.

The section I was looking for, I can't find right now, so I'm going to have to paraphrase. But the -- so the goal of our consultations with other governments, with other countries, conversations the Secretary had yesterday, conversations Ambassador Negroponte had yesterday and is having today -- and we'll get into more details as time goes on -- is to come up with language that can be put together for the Security Council to endorse the UN role, obviously pay tribute to the work that was done by Sergio de Mello and those who have died, but to continue that work and to press forward, and to encourage countries to support and participate in the work of reconstruction in Iraq and the help for the Iraqi people, to make explicit the authorization for countries to contribute to stability through military forces or police or other contributions; and thereby, to provide an encouragement, support and authorization for countries to get more involved in providing stability and providing assistance for the reconstruction of Iraq by the Iraqis.

QUESTION: Now, you have argued for some time that the existing resolution, already --

MR. BOUCHER: We do believe it already provides that sort of authority.

QUESTION: Okay. So why now concede the point, or appear to concede the point?

MR. BOUCHER: I don't know, it's -- we said weeks ago when this matter was under discussion -- the Secretary said, I think several times, and I did as well -- that while we believe the authority existed, and indeed the figures show that there are, you know, 22,000 troops already there on the basis of Resolution 1483, and now there's Resolution 1500 as well that endorses the Governing -- the UN Mission and welcomes the Governing Council. So there's certainly a sufficient basis for 22,000 troops already and for others to be on their way or considering it.

But there are others we know who would like to see more explicit authorization or some other more explicit endorsement for that. The overall thrust of the resolution to support and encourage the people to participate and support that work, I think, is the reaction to the bombing.

The bombers, they were evil people who tried to bomb the United Nations, the international community, out of Iraq. It's time for the international community, we think, to stand up and to move forward; in fact, to get more involved, to do more to support reconstruction and the people of the Iraq, and to show that this kind of terror tactics are not going to succeed.

QUESTION: So, if I can just make -- see if I can get you to connect that on maybe a shorter sentence, the --

MR. BOUCHER: Shorter sentence?

QUESTION: Give me a quote.

MR. BOUCHER: This is getting -- (laughter). I'm trying. I'm working on it. We'll do it three times maybe by the end of it.

QUESTION: Well, I don't want to have to use ellipses, which, you know --

MR. BOUCHER: I don't like them either.

QUESTION: So what you're saying is that you guys -- that the decision to go for a new resolution that would explicit -- make explicit the authorization to contribute to the -- to stabilization is based on -- now, you can't say just "yes" either. (Laughter.)

MR. BOUCHER: Yes.

QUESTION: Is a reaction to the bombing and the fact that you guys think that now, while you were happy with 1483 before, that you need -- you definitely need more people.

MR. BOUCHER: Let me try a couple of short sentences, and then you can pick the one you like.

QUESTION: Okay.

MR. BOUCHER: We think there is authority in 1483. Many other countries have already contributed, including some 22,000 troops. After the bombing, however, we think it's important for the United Nations, the Security Council and the international community to stand up again and to get more involved, and for those who would look for more authorization to provide that so even more countries, even more assistance can be provided.

QUESTION: Thank you.

MR. BOUCHER: Okay. That wasn't short, but it was short enough. Okay?

QUESTION: Okay.

QUESTION: Do you think this is one of the measures you could get France and Germany into the boat? And, if yes, why do you think?

MR. BOUCHER: That would be for them to decide. I wouldn't try to predict what their decisions might be. As you know, we're in touch with a large number of countries about the possibility. Some countries, like India, have already stated publicly that they might be looking for this

kind of statement from the United Nations or more explicit authorization from United Nations.

But I wouldn't want to speculate on what their decisions might be. The countries will have to make their own decisions. We just think this is a way of encouraging and making it easier for people who may be on the cusp and want to make the decision.

George.

QUESTION: You mentioned India specifically and you said there were other countries who think the same way that India does. Can you name some of those countries?

MR. BOUCHER: I don't know if I'd say think the same way. They haven't said the exact same thing. Some of them have been a little less public. But I think it's well known we have been in discussions with India. We have been in discussions with Pakistan, Turkey and others who are considering contributions. Indeed, I think I said yesterday, the Secretary mentioned this morning, there are some 14 countries that are considering contributions. Each of them may have a slightly different viewpoint, but we do think that having a more explicit authorization from the United Nations would help some of them make the decision.

QUESTION: Have you been in touch with India post-bombing?

MR. BOUCHER: I --

QUESTION: I mean on this matter.

MR. BOUCHER: I'd have to say I assume so, but I can't tell you explicitly how. I'll see if I can -- if there are any particulars I can say.

Okay. Yes.

QUESTION: You said several times, "explicit UN authorization." What is it -- what kind of concessions is the U.S. willing to make to get these countries on board as far as giving the UN a broader role that's been talked about --

MR. BOUCHER: Well, it hasn't really -- I mean, it's been speculated on, but if you look at what the

Secretary and the Secretary General said this morning, the issue of UN command or UN control was really not discussed.

The Secretary General has been quite clear in his statements yesterday and his statements this morning we're not talking about blue helmets, we're not talking about a UN command.

QUESTION: Then what are you talking about?

MR. BOUCHER: We're talking about more international involvement in stabilization and in conjunction with the coalition arrangements that are made there.

The UN is very involved, as the Secretary General, again, said on the economic side, and Sergio de Mello and his team were very involved on the political side working with the Iraqi Governing Council, and a variety of issues -- social-humanitarian issues.

So the UN is playing a vital role. And that role will continue to grow as the Iraqis themselves develop more of their institutions, develop more of their capabilities, take more control themselves. The United Nations' role in supporting them will probably grow, as well.

But on the military side, we're really not talking about some UN command. Nobody really has raised that.

QUESTION: But, if I could follow up. Even without a UN command per se, some countries have said that if the U.S. would like other countries to participate, that they would like more of a role in the decision-making about how things are going to go.

Are you prepared to allow for some more collaborative effort in terms of future operations -- how the military should work, reconstruction of the country, et cetera?

MR. BOUCHER: Everybody who participates in the military arrangements has a lot of input to the process. Militaries, however, operate under certain command structures that need to be clear. And I

think the Secretary, based on his enormous experience, also made that quite clear this morning.

QUESTION: But what about in terms of the reconstruction?

MR. BOUCHER: There are many ways that people can be involved in the reconstruction. There are direct projects that people are undertaking, there are UN mechanisms that are already operating in Iraq, there are -- there's the Iraqi Development Fund available for people. There are other measures under discussion such as having a World Bank/IMF-led Donors Fund that can do projects in Iraq. So we certainly encourage -- and will in whatever's worked out at the United Nations encourage -- countries to be very involved in reconstruction, to be even more involved in reconstruction. And there are a variety of vehicles for doing that.

QUESTION: Today there seems to be a little bit of question about where Japan falls into the mix on the international participation. So yesterday, in the posted answer to a question that was taken, there were 27 countries that were mentioned as contributing to the troops, and four who have committed to providing troops.

But on the 28th of July, there were 30 countries, and Japan was among that as already committing to the participation. Can you clarify where Japan stands?

MR. BOUCHER: Well, every time you do this, I have to say, you've come up with a slightly difficult number. The Secretary used the number 30 today. And there are three countries who have -- who are participating who have not identified themselves publicly. That's the difference between 27 that I said yesterday and 30 the Secretary said today.

But I have to say, some of the best advice I got ten years ago from a colleague was, "Never use numbers at the podium," and I'm learning that lesson again most every day.

QUESTION: Who told you that?

MR. BOUCHER: Roman Popadiuk.

(Laughter.)

MR. BOUCHER: But the issue of Japan, it boils down to how do you categorize countries. Japan, as we know, has had these discussions, and the Diet has raised this from the prime ministerial level. They are intending, as we know, to send Self-Defense Forces. They have, you know -- how far along there are in that process, I guess they're not as far along as some of the others, and therefore, which category do they fall into right now, it's -- you just can't quite categorize them in one of those two categories, so they're not listed.

QUESTION: So would you regard them as one of the 14?

MR. BOUCHER: They are certainly --

QUESTION: Just given their boats?

MR. BOUCHER: Yeah, they're certainly on the record as being a country that's considering, even intending, to participate.

QUESTION: So that would fall, maybe, into -- Powell mentioned five today that are in the final steps of making a decision?

MR. BOUCHER: No, those are -- those are the committed -- firmly committed. Japan's sort of somewhere between considering and committed. Japan's intending? So we, rather than creating a separate category, would like to keep it as -- a little simple. But that's why the difference sometimes in numbers. Yeah.

QUESTION: Can we move on to Lockerbie?

QUESTION: Well, I think --

MR. BOUCHER: You've got another one?

QUESTION: Yeah, just on that subject again, it sounds as if what we've been hearing is that there made be a little fiddling with the UN language, but on the ground in Iraq, things are not going to change that much as far as the U.S. control. I mean, could you just discuss that a little bit?

MR. BOUCHER: I don't think it's our intention to change the command-and-control arrangements for

military forces in Iraq. There is a responsibility that comes with the -- with the war. There needs to be a command structure for the military. But military participants, obviously, work together, and whoever participates works with the others involved to sort out, geographically and in other ways, the responsibilities that each nation will take up.

QUESTION: One last question. What about the issue of Iraq's oil and the complaint by many countries that the U.S. hasn't had other countries involved and they're giving the contracts to American companies?

MR. BOUCHER: The arrangements for Iraq's oil are explicit, detailed in Resolution 1483 that was passed by the UN Security Council unanimously by the time the final votes were counted, and those were endorsed by the international community and those are the arrangements that are working. In terms of the sale and the marketing of the oil, the Iraqis are in charge. In terms of the use of the funds, the money goes into a fund that's subject to international audit.

QUESTION: I'm sorry to ask one more question on the same thing, but the 28th of July, when the 30 countries were mentioned, it said that these are countries who are participating in the stabilization operations. So there is one report coming from Japan today saying that Japan was mentioned before as one of the 30, and that now it's 27 and Japan is not among those. But it looks to me like this might be the difference between troops and stabilization. Is that --

MR. BOUCHER: Yeah, it's troops on the ground versus participating in stabilization. I mean, every time -- I have to admit, every time we do the numbers, depending on how exactly you define what a country is doing, you may come up with a slightly different number. But this gives you certainly an order of magnitude of the numbers of people already involved and willing to get involved, and perhaps there will be more that are more willing to get involved if we get new language in the United Nations.

QUESTION: Is there a timeline for getting language on the new UN resolution?

MR. BOUCHER: It's being worked. I don't have an exact timeline, no, for a vote. But certainly we think there is a lot of support in the international community for standing with the UN, for enhancing the international support for the UN and for the reconstruction for the Iraqi people as they proceed. And so we think that this is something that can proceed fairly normally in terms of our consultations with others as they start now with the Secretary talking about the kinds of things that could be put together, with Ambassador Negroponte having contacts with his colleagues that will get more and more detailed, talk more and more about language as we come up with the elements, and then the text.

QUESTION: Apparently, a group called the Armed Vanguard of the Second Muhammad Army has issued a statement claiming responsibility for the UN bombing and has released this statement promising to make war on all foreigners and continue to do similar acts in Iraq. Have you heard anything on this?

MR. BOUCHER: Not having a pager in my pocket, no, I haven't. Sorry.

(Laughter.)

MR. BOUCHER: George.

QUESTION: Do you have anything on "Chemical Ali," as he is known?

MR. BOUCHER: No, I don't. I think the military has talked about that, though.

QUESTION: Two questions on this. There were reports out of the UN this morning that Britain and France have reached an agreement to hold a vote on a resolution of lifting of sanctions on Libya next -- early next week. Can you confirm that? And, secondly, have they completed the transfer of funds?

MR. BOUCHER: I can't confirm Britain and France. You'd have to check with them on what they might have discussed or agreed to. As far as transfer of funds, it's still underway. It's not completed yet. It may not be completed until tomorrow.

We have always said that we wouldn't envisage Security Council action until after the transfer had been completed, so we'll monitor that one closely. It is a British resolution, and so we'll consult with them on the timing.

QUESTION: Do you see any reason why it might slide beyond tomorrow, or do you expect it to get wrapped up tomorrow?

MR. BOUCHER: The transfer or the resolution?

QUESTION: The transfer.

MR. BOUCHER: Can't predict exactly how long it will take, but it's -- all I know is it's still underway now. It could easily take till tomorrow, but I can't tell you for sure it will be wrapped up tomorrow.

QUESTION: Richard, on this, I asked this question yesterday -- ask it again. Have you told the French that you are prepared to allow or -- to allow the vote on the lifting of sanctions to slide in return, or if they will support your Iraq resolution?

MR. BOUCHER: Yesterday I said no. Today I'll say no.

QUESTION: Well, yesterday, I asked you if Secretary Powell spoke has talked to de Villepin about that. Today, I'm asking if -- it's more general.

MR. BOUCHER: No, these things are both being worked and we're coordinating with the French on the Libya questions, as are the British. And we're working with the British and other members of the Council. We're working with other members of the Council. We'll be consulting with the French and others, I am sure, about possible language on Iraq as well.

The facts of the matter are that, for the moment, we're looking for the transfer on Libya to be completed. So, for whatever reason, somebody who might have been looking for a couple of days, it's happening because the Libyans aren't transferring -- you know, hadn't transferred the money.

QUESTION: Okay. Now, I realize that yesterday you said that it is a very large amount of money and

that it takes more than just one push of a button to get it all transferred to the Bank for International Settlements from the Libyan State Bank. But, in fact, huge, even larger sums of money, get transferred every day with less than -- less than two pushes of a button -- just the way the financial world works, I am told. I certainly don't have any firsthand knowledge but --

MR. BOUCHER: That may be the way the financial world works --

QUESTION: Let me get to my question --

MR. BOUCHER: Yeah.

QUESTION: -- which is, did you suggest to the Libyans that maybe they stagger their payments of the money into the bank in order to give their -- to allow for some leeway for the French to renegotiate the UTA, the UTA compensation deal? In other words --

MR. BOUCHER: Well, that's a conspiracy I hadn't considered.

QUESTION: Well, it's --

MR. BOUCHER: No.

QUESTION: A lot of other people have.

MR. BOUCHER: No. I don't know what the financial arrangements for the Libyans are, whether, you know, how many accounts they have their money in, and what kind of computers they have, and what kind of correspondent relationships they have. But if you want to know more about the intricacies of electronic banking systems, I am afraid I am not the one to explain it.

QUESTION: All right. So the answer is no?

MR. BOUCHER: The answer to the question on had we conspired with the Libyans to get --

QUESTION: I didn't say conspired.

MR. BOUCHER: Oh, I'm sorry, you implied it. But, anyway, you get to rephrase my questions, I get to rephrase your answer. Whatever.

Have we asked the Libyans to stagger their payments? No, we asked the Libyans to pay the money and to pay it quickly. And that's been our position all along. We think the families, having reached this agreement, deserve to see it implemented as quickly as possible.

QUESTION: Do you have any reason to believe the Libyans are dragging their feet over the transfer of the money?

MR. BOUCHER: All the explanations I've gotten is that this is the way the banking system works.

Sir.

QUESTION: Can you tell us what you expect from the six-party talk in Beijing next week? And are you looking at any kind of proposal or roadmap or --

MR. BOUCHER: Not today.

QUESTI

ON: Well, Richard, staying on North Korea, though.

MR. BOUCHER: Yeah.

QUESTION: There is a report, a couple of reports in various newspapers this morning, having to do with China and North Korea and you guys. I'm wondering if you could talk about one of them. In a Japanese -- a Japanese report that quoted Assistant Secretary Craner as saying you were working with the UN to try and modify the refugee rules for North Korean refugees in China. And then the second one is about -- well, the second one is not really North Korea.

MR. BOUCHER: I'll have to check on that. I'm sorry. I don't have anything up to date on it.

QUESTION: Okay. And then on China and Mr. Craner again, he is quoted in The Washington Post as saying that there has been a tremendous amount of backsliding on the human rights commitments that the Chinese made to you, that you're not pleased with it. I assume that what he says is true.

MR. BOUCHER: That's true.

QUESTION: Can you expand and elaborate on that?

MR. BOUCHER: No, that's true. We have been -- I think we have made that clear during the course of the year that there has been backsliding. And unfortunately, that pattern has continued, that despite the progress in 2002, we've been disappointed to see the negative developments in 2003, and that the commitments made by China at the conclusion of the December Human Rights Dialogue have not been met. Things like visits of UN Special Rapporteurs on Torture and Religious Intolerance, Working Group on Arbitrary Detention -- those visits have not yet taken place.

The U.S. Commission on International Religious Freedom was compelled to postpone their August trip because the Chinese insisted they not visit Hong Kong, and there's also been a number of troubling incidents: the execution of a Tibetan without due process, arrests of a number of democracy activists, the harsh sentences that were laid down for Internet essayists and labor protesters, and a number of other things that constitute backsliding. And we're going to keep pushing for more progress in the dialogue, pushing also for more progress on human rights.

QUESTION: Do you know if there is a -- or you expect if this one's been scheduled, or you expect another round of the talk -- of the dialogue any time in the near future?

MR. BOUCHER: I don't have anything on anything scheduled at this point. We can certainly look to see the dialogue, but also look to see the progress that we've been -- that was promised.

QUESTION: And just --

QUESTION: Based on these commitments of -- by China seven or eight months ago, that a decision was made not to pursue a China resolution at the UN Human Rights Commission? Is that true?

MR. BOUCHER: Essentially, yes.

QUESTION: Can I just go back to one thing about -- on the refugees? Do you have the readout Assistant Secretary Dewey's visit in China?

MR. BOUCHER: Visit to China and Vietnam?

QUESTION: Yeah.

MR. BOUCHER: I can get you one. I had one a couple of days ago that I'll have to pull out.

QUESTION: Thank you.

(The briefing was concluded at 1:30 p.m.)

(end transcript)

(Distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Byliner: Public Diplomacy Necessary for Policy Success, Says State's Ross

(Amb. Christopher Ross article in Harvard Review)

(This article by Ambassador Christopher Ross, State Department Senior Adviser (Arab World Public Diplomacy), was published in the Harvard Review Summer 2003 and is in the public domain. No republication restrictions.)

(begin byliner)

Pillars of Public Diplomacy
Grappling with International Public Opinion
By Christopher Ross

(Ambassador Christopher Ross is U.S. State Department Senior Adviser for Arab World Public Diplomacy.)

Modern diplomacy, once a largely one-dimensional, nation-to-nation process, is now a multidimensional enterprise in which so-called "non-state" actors and foreign publics play an increasingly prominent role. The latest Iraq war is the most dramatic, but hardly the first, example of this phenomenon. The rise its

influence of non-state actors has been paralleled by two other equally important developments: globalization -- the integration of peoples, societies, and economies -- and information technologies that now link nations, cultures, and societies in complex and unprecedented ways.

This is the transformed international environment in which public diplomacy now operates. In such a world, the public-diplomacy quotient of virtually every foreign policy issue today has risen dramatically, whether regarding a trade negotiation over genetically modified corn, the reconstruction of Iraq, or the threat of HIV/AIDS.

Policies can still be forged in private, confidential talks among professional diplomats, much as they were 200 years ago, but no policy initiative can succeed over the long term without the understanding and support of multiple foreign publics and other non-state actors.

Equally vital is a shift in US State Department culture that moves public diplomacy closer to the center of diplomatic work. To shape mindsets abroad, mindsets at home must be changed first. This process began with the integration of the US Information Agency into the Department of State in 1999. More recently, the administration of US President George Bush has reversed a decade of declining resources for public diplomacy through substantial increases in funds, personnel, and training.

The disciplines of persuasive communication are inescapable, and the realm of foreign policy is no exception. The public diplomacy and international communications of the United States must reflect a basic set of principles and practices -- the seven pillars of public diplomacy -- to meet its mandate "to inform, engage, and influence" foreign publics.

The Seven Pillars

The first of these so-called pillars is policy advocacy, and all public diplomacy activities, however varied, are designed to support US national interests and meet its international duties. Above all else, the first responsibility must always be to ensure that foreign audiences understand US policies for what they are, not for what others say they are.

To be more than a series of ad hoc responses to changing events, public diplomacy must be incorporated into the ground floor of foreign policy. Policy makers must take to heart the maxim that a policy that cannot be explained clearly and understandably, to many different audiences is not sustainable. In the Bush administration's national communications strategy, therefore, foreign policy and public diplomacy are inextricable and integrated throughout the process of policy formulation and implementation.

An effective national public diplomacy effort must be coordinated throughout the government to ensure that information priorities are clear, overall themes are established, messages are consistent, and resources are used effectively. Types of messages, language, audience, format, and media will vary greatly. All, however, should be part of a comprehensive public diplomacy strategy linked to the formulation of policy at its inception and coordinated broadly throughout the foreign affairs community.

The daily point-counterpoint of policy debate is only one element of public diplomacy. It is equally vital to systematically address the slower pulse of public attitudes, to connect with human emotions and perceptions where our values and worldviews reside most deeply. As one writer has said, "People are drowning in information, yet desperate for context."

It is here, in the quest for deeper understanding and broader dialogue with states and peoples, that the Bush administration has worked hard to reenergize US public diplomacy, which has lost focus and funding since the end of the Cold War.

Advocacy alone is rarely enough to build genuine understanding, much less active support. Therefore, the United States must also rely on the second pillar's providing reasons and rationale -- the context -- for its policies. Such context requires US policies to remain rooted in the fundamental values and culture of the United States. In the words of the US National Security Strategy report: "We do not use our strength to press for unilateral advantage. We seek instead to create a balance of power that favors human freedom."

Media coverage of the Iraq war offers an immediate and dramatic example. Arab, European, and US media outlets have certainly reported different or conflicting "facts," but the most dramatic differences in coverage reflect deep-seated, often divergent assumptions about the context, or meaning of the conflict -- from its origins to its outcome. As a pre-war example, the Bush administration designed its Shared Values Initiative for the Arab and Muslim world to provide channels of dialogue and foundations of mutual trust, which are critical to any understanding or agreement on key policy issues.

The most frequent question about the Shared Values effort is why it does not directly address the most divisive policy issues in the US-Arab relationship, including the Israeli-Palestinian conflict and the removal of Saddam Hussein's regime in Iraq. But this is the wrong question. The Shared Values Initiative, by intent, does not address divisive policy issues directly. Instead, it tries to establish broader arenas of mutual interests, common ground, and interaction by talking about such subjects as religious tolerance and family life-values deeply held and respected by US citizens and residents of the Arab world.

Some commentators have responded by saying, in effect: "Everyone knows about US freedoms and religious tolerance -- it is irrelevant to the pressing issues of the day." Yet every international poll of attitudes in the Middle East and Asia consistently suggests the contrary -- that publics in Arab and Muslim countries are neither knowledgeable about the United States nor simply critical of US policies. These polls conclude that their governments and Western-educated elites may be familiar with US values and culture, but the general population clearly is not. Instead, many regard the United States as irreligious and hostile to Islam, espousing a culture antithetical to their own culture and values. In such an environment, it is unlikely that US policy messages will even be heard, much less judged fairly. Coverage of the US and coalition military campaign in Iraq by the Arab media is a vivid example of this dynamic in action.

To suggest silence on these subjects until the Middle East conflict, Iraqi reconstruction, or other policy

issues are resolved in misguided. To the extent that the administration's policy message is discounted because of strongly held stereotypes, such as "The United States is anti-Muslim," policy advocacy will fail. Audiences co-opted by the myth of US hostility to Islam, for example, will not support our call for international action because they will discount our values and motives.

The immediate pressure of the Iraq war's information dimension has not obviated the need for such initiatives; to the contrary, it has made it more vital than ever -- even if the benefits of such "values-based" communications are usually long-term and often obscured, literally, by the immediate, polarizing images of conflict.

Tailoring Credibility

The third pillar of diplomacy is that US international messages must be consistent, truthful, and credible. To formulate a public message for a single exclusive audience is to make a fundamental conceptual and operational mistake: all public messages can, and will, reach multiple publics. In the end, credibility is the sine qua non of international communication. We must always say what we mean and mean what we say.

The US State Department is a leader in developing public diplomacy initiatives for the United States, as reflected in its role as co-chair of a new interagency Policy Coordinating Committee. At the same time, the Bush administration has also established a new White House Office of Global Communications, which grew out of the Coalition Information Centers established during the Afghanistan conflict to strengthen the focus and responsiveness of public diplomacy. The White House office can help identify themes, set priorities, coordinate foreign policy communications within the government, and sensitize decision makers to the importance of public opinion abroad.

Both the Office of Global Communications and a strengthened public diplomacy function in the State Department are key to developing consistent, authoritative international information messages and programs.

The fourth pillar is a corollary to the third. The obverse of consistency is our ability to tailor messages for specific audiences. There need be no contradiction between consistency and tailoring. For example, an information campaign in support of open trade or religious freedom will employ vastly different images and words for different audiences. The values that stand behind such efforts, however, are enduring.

In an age of satellite television and the Internet, policy messages must be not only accurate, but fast. Silence is a vacuum that the media will fill with someone else's viewpoint if the United States is unwilling or unable to speak with one voice, and speak immediately.

The new digital technologies, moreover, provide unprecedented opportunities for taking "content" -- a basic statement or explanation of a US policy, for instance -- and "pouring" it into containers that range from web page and e-mail publishing to print products or broadcast materials for television, radio, or digital video conferences.

US public diplomacy has done well in some aspects of information flexibility, notably the use of Listserv e-mail and web sites to provide fast, authoritative transmission of official texts and transcripts, often in local or regional language versions. At the same time, new opportunities and challenges abound. The US has not yet fully come to grips with ensuring its share of the voices on the Internet, notably in chat rooms and other types of online conversations that routinely discuss US foreign policy with no official voice or presence providing balance or counterpoint.

By contrast, the US State Department has long recognized the potential of satellite circuits for allowing experts and officials in the United States to interact formally and informally with journalists and opinion leaders throughout the world through digital video conferencing. In 2002, for example, the State Department conducted over 450 video conferences through more than 150 facilities located in Washington, DC, and at our missions throughout the world.

In shaping specific programs for specific audiences, we must conduct audience research that is as

frequent and in-depth as resources permit. The discipline of persuasive communication in this regard is compelling: it is not what is said that counts, it is what is heard. And it is only through research and feed-back -- coupled with a sure understanding of the cultures in which we operate -- that we can craft the right messages for the right audience.

For example, in the case of the Shared Values documentaries of US Muslims, we conducted careful pre-campaign attitude and message testing through polls and focus groups -- as well as an intensive follow-up assessment of their effectiveness, most notably in Indonesia. When we tested Indonesians for the levels of recall and message retention, we found them to be significantly higher than, for instance, those of a typical soft drink campaign run at much higher spending levels for many more months.

This kind of exceptional result means that the messages were both relevant and very interesting to their audience. In random taped interviews, people made it clear that these messages literally opened their minds and challenged the carefully taught fiction that the Muslim population of the United States is harshly treated, illustrating instead that religious tolerance is a fundamental value and practice in the United States.

The Role of Mass Media

At a time when many large and diverse publics are informed and energized about foreign affairs, it is no longer sufficient to explain our policies to 200 opinion leaders; the United States must also find ways to repeat key messages for audiences of two million, or 20 million, through national and transnational media, which make up the fifth pillar.

We must leverage our messages through all the communications channels at our command: Internet-based media (email publishing and websites), broadcasting (radio and television), print publications and press placements, traveling speakers, and educational and cultural exchanges. Such channels include the independent government broadcasting services administered by the International Bureau of Broadcasting (IBB) under the supervision of the Board of Broadcasting

Governors: Voice of America, Radio Free Europe, Radio Free Asia, Radio Sawa (Arabic), Radio Farda (Persian), Radio/TV Marti (Cuba), and WorldNet television. These broadcasting services demonstrate that support for US values and interests is entirely consistent with independent journalism and news reporting.

In seeking out channels for reaching broader audiences, the primacy of television, and, consequently, the impact of images, cannot be overestimated. In media terms, for instance, the Iraq war was really two wars. The Arab media displayed one set of images of the conflict, and US media outlets showed another, each playing to different assumptions and audience biases. One clear lesson from this experience is that the globalization of information -- especially the immediacy and impact of television -- can divide as well as unite.

For the pre-war Shared Values Initiative, we estimated that more than 280 million people were exposed to these messages through pan-Arab satellite television and newspapers, as well as through selected national media, during the holy month of Ramadan.

In Egypt, we invited local broadcasters to film the story of several US Agency for International Development projects, highlighting the families that benefited from the clean water, improved education, and micro-loans that resulted. The television coverage, readily available to a mass audience, confirmed the commitment of the United States to improving the quality of life around the globe.

Building upon the Shared Values initiative and continuing to focus on the Middle East, we are initiating a new program called Shared Futures, which will bring sustained attention in the new postwar era to our interest in and contributions to economic, political, and educational change in the Muslim world through media campaigns, television, media co-ops, exchanges, and other creative programming -- in partnership with local institutions wherever possible.

Alliances and Partnerships

The sixth pillar, alliances and partnerships, recognizes that as the number and importance of non-state actors have grown in international affairs, the official voice of the United States has grown smaller. We cannot reach these new audiences by ourselves. We need the strength of international alliances and private-sector partners, whether global corporations, Humanitarian organizations, or US expatriot communities abroad.

Such partnerships not only bring fresh ideas and added resources to our efforts, they can also offer third-party authenticity and verification for messages that might otherwise be dismissed when communicated through official channels.

We need to take the best of the United States to other countries, to offer who we are and what we stand for, sharing with them our contributions in representative government, science, technology, literature, the arts, and English teaching. We may never be able to match the massive, sometimes pernicious weight of Hollywood and pop culture, but we can ensure that the diversity of our society and culture is better represented to foreign audiences.

In the case of Shared Values, for instance, we worked with the Council for American Muslim Understanding (CAMU) not only in preparing the mini-documentaries, but also in recruiting speakers to travel overseas and talk about Muslim life in the United States. CAMU also assisted in creating an interactive web site (www.opendialogue.org) where US citizens and people from Muslim-majority countries can interact and share ideas.

Dialogue and Exchanges

The final pillar of public diplomacy recognizes that the United States must build the foundations of trust and mutual understanding through a genuine commitment to dialogue. We must listen to the world as well as speak to it. The failure to listen and to provide more avenues for dialogue will only strengthen the stereotype of the United States as arrogant, when, in fact, we are often only being inattentive.

Opportunities and avenues for feedback and dialogue, therefore, should be built into our public

diplomacy efforts whenever possible. US Secretary of State Cohn Powell has said, "We touch every nation and every nation touches us." We must demonstrate both sides of this equation in all our international communications.

Our most important tool for enhancing dialogue and understanding is one of our most durable: the estimated 35,000 educational and cultural exchanges that the US State Department conducts or sponsors every year. These exchange programs are only a small fraction of the total universe of US international exchanges, now an estimated US\$12 billion annual venture in the United States.

Such exchanges -- the celebrated "last three feet" of communication -- are inestimable in demonstrating the ideas of freed optimism, and sense of future possibilities that make the United States so compelling to the world. The United States has had long experience with a wide range of educational and cultural exchanges -- whether young political leaders, academics, students, journalists, artists, or others -- and we have found that the experiences of our grantees are almost always positive and transformative.

The significance of this conclusion cannot be overstated, especially at a time when there is so much focus on the policy and cultural differences among the United States and many of its allies in Europe, Asia, and elsewhere. At present, more than 50 percent of the leaders of the global coalition in the war against terrorism are former participants in our largest exchange effort, the International Visitors Program. More than 200 current and former heads of state, 1,500 cabinet-level ministers, and many other distinguished worldwide leaders in government and the private sector have participated in this same program.

The prime directive of US public diplomacy will always be to ensure that we advocate the policies of the United States as clearly and powerfully as possible. At the same time, it is crucial that communications be delivered in a proper context, through a commitment to sustained dialogue and engagement. By adhering to the principles embodied in the seven pillars of public diplomacy, the United States can advance not only its national interests, but the universal values of freedom,

equality, and opportunity that we share with the world.

(end byliner)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: Justice Dept. Assesses U.S. Actions to Fight Trafficking in Persons

(U.S. goal is to help one victim at a time, new report says)

The U.S. goal is to continue on the road to abolishing and eradicating trafficking in persons by helping one victim at a time, according to a new Justice Department report released August 21.

The report, entitled "Assessment of U.S. Activities to Combat Trafficking in Persons," says the United States has a significant problem with trafficking in persons, with an estimated 18,000 to 20,000 people trafficked annually into the country. An estimated 800,000 to 900,000 people are trafficked across international borders each year -- having been bought, sold, transported and held in slavery-like conditions for sex and labor exploitation.

The report emphasizes that the United States is primarily a destination country, with people from other countries being trafficked into the United States. The U.S. Trafficking Victims Protection Act of 2000 mandates an evaluation of progress made in the areas of U.S. trafficking prevention, prosecution and assistance to victims.

With this in mind, the following assessment reviews U.S. legislative and executive branch government activities to improve protections for and assistance to victims trafficked into the United States, to increase successful investigations and prosecutions of traffickers, and to augment international activities to combat trafficking.

"In the United States, our goal is to continue on the road to abolishing and eradicating trafficking in persons by helping one victim at a time, funding one

victim assistance organization at a time, investigating and prosecuting one trafficker at a time ... and encouraging one world community to adhere to the precepts of the U.N. Protocol on trafficking in persons," the report says.

The report's recommendations for improving U.S. anti-trafficking activities include, among others, continuing outreach efforts to inform the public about trafficking, continuing training for federal agents and prosecutors on identifying victims of trafficking and prosecuting trafficking in persons cases, and supporting public-private partnerships in the international arena to integrate at-risk populations into the community and workforce.

Following is the text of the introduction, conclusion and recommendations of the report:

(begin text)

U.S. Department of Justice
August 21, 2003

ASSESSMENT OF U.S. ACTIVITIES TO COMBAT TRAFFICKING IN PERSONS

INTRODUCTION

[T]rafficking is nothing less than a modern form of slavery, an unspeakable and unforgivable crime against the most vulnerable members of the global society.

President George W. Bush
October 2, 2002

Trafficking in persons is a heinous international crime and human rights abuse. The global magnitude is staggering. According to a 2003 U.S. Government estimate, 800,000 to 900,000 people are trafficked across international borders each year having been bought, sold, transported and held in slavery-like conditions for sex and labor exploitation. The U.S. Government estimates that 18,000 to 20,000 people are trafficked annually into the United States. The nature of this crime -- underground, often under-acknowledged -- contributes to the inability to determine the precise number of people who are victimized by traffickers each year. The scope of this hideous exploitation is

wide and varied, but typically involves victims entrapped into commercial sexual exploitation such as prostitution and pornography, or labor exploitation in sweatshops, construction sites and agricultural settings. Additional forms of forced labor and abuse include domestic servitude and forced marriages.

In an era of improved technology, it has become much easier for traffickers -- and their victims -- to move freely across borders. Trafficking is now a transnational criminal enterprise that recognizes neither boundaries nor borders. Profits from trafficking feed into the coffers of organized crime. Trafficking is linked to other criminal activities such as document fraud, money laundering and migrant smuggling. Moreover, as a matter of policy, the U.S. Government opposes prostitution and any related activities as contributing to the phenomenon of trafficking in persons. These activities are inherently harmful and dehumanizing.

The United States has a significant problem with trafficking in persons. The United States is primarily a destination country: people from other countries are trafficked into the United States. As Secretary of State Colin L. Powell has noted: "Trafficking leaves no land untouched, including our own." The Trafficking Victims Protection Act of 2000 (TVPA), Pub. L. 106-386, mandated the Department of State to produce annually a trafficking in persons report, which assesses the efforts of governments around the world to meet minimum standards to combat trafficking (TVPA § 110(b)

transnational and intranational forms of trafficking. Section 105(d)

TVPA mandates an evaluation of the progress of the United States in the areas of trafficking prevention, prosecution and assistance to victims. The U.S. Government has therefore prepared the following Assessment of U.S. Activities to Combat Trafficking in Persons.

The Assessment reviews U.S. legislative and executive branch government activities to improve U.S. protections for and assistance to victims trafficked into the United States, to increase successful investigations and prosecutions of traffickers, and to augment international activities to combat trafficking. This Assessment also suggests

possible improvements that the U.S. Government may undertake to enhance activities to combat trafficking in persons. This Assessment contrasts current activities with the recommendations put forward in a 2000 assessment of U.S. anti-trafficking activities entitled, *International Trafficking in Women to the United States: A Contemporary Manifestation of Slavery and Organized Crime* (hereinafter referred to as the "2000 Trafficking Monograph").(1) The 2000 Trafficking Monograph provides a useful measure by which we can evaluate our anti-trafficking activities in 2003 and see ways to move forward.(2)

CONCLUSION

In a world in which corruption, crime, poverty, inequality, low status of women and girls, and civil conflict show few signs of abating, individuals will continue to be at risk of being trafficked. In the United States, our goal is to continue on the road to abolishing and eradicating trafficking in persons by helping one victim at a time, funding one victim assistance organization at a time, investigating and prosecuting one trafficker at a time, training one law enforcement officer at a time, writing one good anti-trafficking law at a time, influencing one foreign government at a time through diplomacy and the possibility of sanctions, and encouraging one world community to adhere to the precepts of the UN Protocol on trafficking in persons. The U.S. Government's successes, and similarly the international community's successes, are alternately incremental and monumental, measured in small steps and occasional large leaps. The accumulation of small steps leads eventually to a comprehensive approach to eliminate human trafficking. The occasional large leap -- such as working with countries that face sanctions because they are not meeting minimum standards to eliminate trafficking -- helps as well. Such incremental and, where possible, monumental successes should be the mandate to countries around the world, including the United States, until there are no victims and we have ensured that there will be no more victims. As Attorney General John Ashcroft stated in 2003: "Those who traffic in human lives treat people as easily expendable and highly profitable. But behind each dollar sign is a human tragedy." The U.S. Government aims to remedy such human tragedy one victim at a time. Our Assessment chronicles our

work-in-progress on such remedies and identifies future priorities.

Recommendations for Improvement of U.S. Government Anti-Trafficking Activities

1. Determine whether comprehensive services are being provided in the appropriate geographical locations.
2. Reassess repatriation efforts in light of the demand for them by trafficking victims.
3. Assess whether eligibility standards for immigration benefits are appropriate in light of the demand for them by trafficking victims.
4. Continue outreach efforts to inform the public about trafficking and monitor their success.
5. Continue training for federal agents and prosecutors to identify victims of trafficking and to investigate and prosecute trafficking in persons cases.
6. Continue current outreach efforts to state and local law enforcement and find new ways of raising awareness about trafficking in persons.
7. Support public-private partnerships in the international arena to integrate at-risk populations into the community and workforce.
8. Collect better information internationally on trafficking trends, numbers of victims, prosecutions and convictions.
9. Increase U.S. Government efforts to warn the public about the purchase of products made with trafficked persons' labor.
10. Ratify the UN Protocol on trafficking in persons.

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: IMF, World Bank Pledge to Help Poor Nations Reach WTO Goals

(Plan includes policy assistance, loans, heads of institutions say)

Two major multinational institutions have promised to assist developing countries in implementing commitments they make as global trade liberalization talks proceed.

The International Monetary Fund (IMF) and the World Bank stand ready to help those countries defray costs of adjusting to a new world trading system that may emerge from the latest round of World Trade Organization (WTO) negotiations, known as the Doha Development Agenda, heads of the two institutions said in a joint letter to the WTO chief. The letter was made public August 21 in an IMF press release. The IMF and the Bank also will consider providing assistance in designing policies, reforms and investment programs aimed at addressing key obstacles to trade expansion, the letter said.

It said that developing countries have much to gain from a more open world trading system and that the two institutions are ready to support those countries' efforts to take full advantage of opportunities created by this system.

Following is the text of IMF's news release:

(begin text)

International Monetary Fund
Press Release
August 21, 2003

**IMF AND WORLD BANK ANNOUNCE
PLANS TO SUPPORT DEVELOPING
COUNTRIES WITH TRADE-RELATED
ADJUSTMENT NEEDS IN WTO ROUND**

**Reaffirm the Importance of a Successful Trade
Round to Developing Countries**

International Monetary Fund Managing Director
Horst Köhler and World Bank President James D.

Wolfensohn today sent the following letter to Dr. Supachai Panitchpakdi, director-general of the World Trade Organization (WTO), reiterating the importance of a successful round of multilateral trade talks to developing countries. The letter also reaffirms the two institutions' commitment to help developing countries adjust to a more open trading environment.

Dear Dr. Supachai,

We strongly believe that a successful conclusion of the Doha round is essential for the world economy and will benefit all countries. A successful WTO round can also contribute significantly towards efforts by the international community to meet the Millennium Development Goals. Overall, developing countries have much to gain from a more open multilateral trading system. At the same time, we appreciate that adjusting to a more liberal trade environment may impose costs on some of our member countries -- albeit temporarily -- as a result of preference erosion, the loss of tariff revenue or other factors.

We are therefore working to package our support, building on what we are already doing, in order to help countries to implement commitments they make as the Doha Development Agenda proceeds.

We already have a variety of instruments to meet developing countries' concerns about the impact of trade liberalization, and we are actively exploring ways to assist countries that request our help. While important aspects of our plan for targeting Doha-related needs are still under consideration, it will have three dimensions:

-- First, we can work closely with our members to assess the nature and magnitude of any adjustment need.

-- Second, we will assist in designing policies, institutional reform and investment programs aimed at addressing key obstacles to trade expansion and at managing the impact on affected population groups.

-- Third, we are examining ways to use and tailor our lending authority to respond to the specific challenges posed by the Doha Development Agenda. Such lending could take place at the

project, sector and country levels. In the context of coherent country financing plans, we also aim to provide support in mobilizing donor resources. Grants authorized under IDA13 [International Development Association] could also be used, subject to the agreed guidelines.

As we emphasized last May at the WTO General Council meeting, we remain fully committed to helping ensure successful completion of the Doha development round. Given the substantial promise for the world's poor we should work together to address the short-term adjustment problems. As you embark on the crucial WTO Ministerial meetings in Cancún, we would like to assure you that both our institutions stand ready to support our members in taking full advantage of these opportunities.

As we move over the coming weeks to put in place the various elements of our Doha-related efforts, we look forward to continued engagement with you on these issues.

Sincerely yours,

Horst Köhler James D. Wolfensohn

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)

----- ***** -----

Defender of Haitian Boat People Dies in Aug. 19 Baghdad Bombing

(Arthur Helton was Senior Fellow at Council on Foreign Relations)

By Eric Green
Washington File Staff Writer

Washington -- Arthur Helton, who began his long career in human rights advocacy by defending Haitian "boat people" seeking to escape their country's desperate political and economic situation,

was among the more than 20 victims killed in the August 19 terrorist bombing of United Nations field headquarters in Baghdad, Iraq.

Helton, a 54-year-old American, was a Senior Fellow for Refugee Studies and Prevention Action at the Council on Foreign Relations, a New York-based nonprofit and nonpartisan organization devoted to promoting improved understanding of international affairs.

During his time at the council, Helton observed that a combination of "crushing poverty" and "political crisis" in Haiti causes Haitians to risk their lives on small boats in search of better opportunity in the United States and other destinations. Helton also served as the council's Director of Peace and Conflict Studies.

The council said Helton was in Baghdad to assess humanitarian conditions in Iraq when the bomb exploded. He was believed to be meeting with the U.N. Special Representative for Iraq, Sergio Vieira de Mello, who was also killed in the blast.

In a statement, council president Richard Haass said Helton "was one of our most respected senior fellows and a noted expert on refugee and humanitarian issues and international law."

Helton "had devoted his life to improving the lives of others, and, as part of that goal, was in Iraq to consult with the U.N. to help find ways to relieve human suffering," said Haass, the former U.S. State Department director of policy planning. "The world has lost a devoted and talented champion of the rights of the dispossessed," he said.

The council said in its obituary of Helton that he dedicated his professional life to working with refugees and recommending ways to ease their plight. In 1994, he founded and then directed the Forced Migration Projects at the Open Society Institute. For 12 years prior to that, he directed the Refugee Project at the Lawyers Committee for Human Rights. He joined the Council on Foreign Relations staff in 1999.

Over the course of his career, Helton wrote more than 80 scholarly articles and contributed to several books on refugees and the displaced. At the time of

his death, Helton was seeking support and funding for an independent policy center to enhance the effectiveness of international humanitarian action.

Helton started his career in human rights law as an attorney working pro bono (freely donating his time and legal expertise) representing detained Haitian boat people in the United States. He wrote in 1997 that the slow pace of recovery of Haiti's economy, as well as political uncertainty in the country, had contributed to a "continued sense of hopelessness within the [Haitian] population."

Such desperation "fuels a desire to leave, and a trickle of Haitians continues to leave Haiti in small boats, often to be intercepted and returned by U.S. Coast Guard vessels," he said. "The potential for a migration or refugee emergency thus remains high and could be unleashed quickly by a political or economic crisis."

In a January 18 commentary in *The Boston Globe* about the world's refugee crisis, Helton wrote that "in the new century, there will be greater human displacement -- both internally and internationally -- and greater demands for effective responses. If humanitarian action is to become more than the mere administration of misery, we will need coherent, proactive policy, rooted in international cooperation and human dignity. This will require more resources and better coordination between and among governments, U.N. agencies, and nongovernmental organizations."

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

African Expert Guardedly Optimistic About Cote d'Ivoire Reconciliation

(NDI's Fomunyoh moderated multi-party peace and reconciliation conference)

By Charles W. Corey

Washington File Staff Writer

Washington -- African affairs specialist Christopher Fomunyoh is guardedly optimistic about peace and reconciliation efforts now under way in Cote d'Ivoire.

Fomunyoh, who was born in Cameroon, made that point to the Washington File after returning from a July 13-18 conference outside Abidjan, Cote d'Ivoire, entitled "The Amelioration of Skills on Compromise and Consensus for Political Stability." He attended the conference as one of four moderators and presenters of the event that was co-sponsored by the Ivorian Ministry of National Reconciliation and the public affairs section of the U.S. embassy in Abidjan.

It was "quite uplifting" to see representatives from Cote d'Ivoire's eight political parties and rebel groups gather at the conference -- the first of its kind -- said Fomunyoh, the regional director for Africa at the National Democratic Institute (NDI).

In an August 20 interview with the Washington File, Fomunyoh said the historic event marked "the first time that the leaders of all of the Ivorian political parties, including the warring factions that signed the Marcoussis Accord, came together to discuss the way forward in terms of peace and reconciliation. That by itself, I think, was an accomplishment, in the context of a country that is only very slowly emerging from armed conflict."

"In terms of expectations and accomplishments," Fomunyoh called it "quite uplifting to see all of these parties talk to each other and begin to build some consensus on the need for genuine reconciliation."

In the early days of the workshop, Fomunyoh recalled, "it was very difficult; there were still a lot of hard feelings" among the various participants. "But as we went along, they began to see themselves as champions for genuine reconciliation -- even within their respective political parties. I think that was really commendable."

Once that attitude emerged, Fomunyoh said, "You could see the atmosphere evolve in a positive direction with each passing day. By the end of the

seminar, the participants were making recommendations" and genuinely sought to sustain the momentum generated during the event.

Asked for some examples of warming relations, Fomunyoh said, "At the beginning discussions were very tense. You got the sense that the participants were having difficulty having civil exchanges or exchanging ideas in a civil manner. You could sense the tension in the various working groups; that there was still a lot of suspicion and tension and hard feelings. But as we neared the end of the week, we had instances where people would make statements and then, on their own, ask to revise the statements they just made, restating the same thing in a more positive light. That was very telling.

"For example, someone would stand up and make a very harsh statement that would attack those from another party or group. Then a minute or two later, they would stand up and say 'I would like to take back what I just said. I would like to state it differently.'"

The National Democratic Institute (NDI), Fomunyoh noted, has done a lot of work in supporting political development and reconciliation in Cote d'Ivoire, working with all of the country's political parties and civil society organizations.

As one of four presenters at the conference, Fomunyoh said he focused on the role that political parties play in building coalitions for reconciliation and intra-party dialogue.

Fomunyoh stressed that political parties play a "very instrumental" role in trying to bring about political reconciliation. "Now that Cote d'Ivoire is working towards democratization and political parties have formed and are participating in the governance process, inevitably, every leader of the country, whether in the executive branch or legislative branch, will have emerged from political parties.

"If the spirit of dialogue and reconciliation and peace prevail within each of the parties," he speculated, "then that would influence the attitudes that these respective leaders would take into national discussion about bringing an end to the civil war in Cote d'Ivoire."

Asked about the role the rebels played at the workshop, Fomunyoh said, "The rebels were invited to the talks, even though they have not formally transformed the rebel movement into a political party. There was a recognition that because they were signatories to the peace accord negotiated in France that they had a say in terms of being able to bring about reconciliation -- especially in the part of the country that is under their control. And so they were invited under this umbrella coalition of new forces. Their participation was quite remarkable. I got a sense that they too left the workshop feeling the need for peace, reconciliation and democratic governance in their country."

Assessing the overall outcome of the seminar, Fomunyoh said the participants agreed to set up a follow-up committee ... so they could not only enlarge and broaden-out the discussion about peace and reconciliation to the leadership of their respective political parties but also to the public at large.

"My sense is that if that committee -- the one made up of representatives of each of the political parties and the rebel movement -- keeps working, then that committee could be the springboard for a broader effort at national reconciliation."

Commenting on a proposed peace caravan, which emerged as an option from the workshop, Fomunyoh said such action "would have a lot of significance because the armed conflict in Cote d'Ivoire has broken up the country into two very distinct territories -- the northern part of the country under rebel control and the southern part including Abidjan -- under government control.

"The notion that representatives of all of the political parties, including the rebels, could tour the country and have town hall meetings and speak to ordinary citizens about peace and reconciliation would have a huge psychological impact."

Fomunyoh concluded that there is reason to hope for a positive outcome in Côte d'Ivoire. "There is an understanding in Cote d'Ivoire -- and it came out in the seminar as well -- that bad governance or political power that excludes some segments of society from participating in the governance process, inevitably leads to conflict and that the best

way to avoid conflict is to embrace democratic governance and create channels for broad-based political participation. That is a general trend that would not only apply to Cote d'Ivoire but to other African countries that are currently making the transition from one-party states and military rule to functioning democracies."

"Compared to Sierra Leone or Liberia, Cote d'Ivoire was once viewed as a politically stable country," he said. "So the Ivorians never really expected that some day their country would be immersed in the kind of conflict that has taken place during the past two years. It was kind of a rude awakening for a lot of Ivorians.

"It is only now that some of them are coming to the realization that you can never take peace and stability for granted and that you have to actively work to maintain or nurture it."

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://usinfo.state.gov>)

----- ***** -----

Text: Special Summit of the Americas Scheduled for January 2004

(OAS says summit will be held in Mexico)

The Organization of American States (OAS) has announced that a Special Summit of the Americas will be held in January 2004 in Mexico.

In an August 21 statement, the OAS said the summit will bring together 34 presidents and prime ministers of the Western Hemisphere.

Following is the text of the announcement:

(begin text)

Organization of American States
www.oas.org

August 21, 2003

SPECIAL SUMMIT OF THE AMERICAS TO BE HELD IN JANUARY

The Special Summit of the Americas, which will bring together presidents and prime ministers of 34 member countries of the Organization of American States (OAS), will take place in January 2004 in Mexico.

The decision was made by the Mexican government after a process of consultation with the OAS member states.

"The objective of the Special Summit is to facilitate hemispheric cooperation at the highest levels of government in order to confront the current economic, social and political challenges of the region," said OAS Secretary General César Gaviria.

Irene Klinger, Executive Secretary of the Summits of the Americas Secretariat, noted that approximately one-third of the region's leaders have taken office since the last Summit of the Americas, held in Quebec City, Canada, in April 2001. "This meeting will provide the first opportunity for them to review hemispheric priorities and renew their shared commitments," she said.

The Special Summit of the Americas will seek agreements on specific topics and promote a number of multilateral initiatives, as well as national actions, to resolve critical problems affecting the hemisphere. The heads of state and government will meet for one day to exchange ideas and generate proposals on three central issues: economic growth with equity, social development and democratic governance.

At a meeting of the Summit Implementation Review Group (SIRG) at OAS headquarters last July, representatives of the 34 countries discussed and analyzed aspects of the agenda, format, content and logistics of the Special Summit.

The OAS, through its Summits of the Americas Secretariat, serves as the institutional memory and technical secretariat of the Summit of the Americas process. The OAS Secretary General assured the countries at last month's SIRG meeting that the

Organization will continue lending its full support to the process.

(end text)

(Distributed by the Bureau of International Information Programs, U.S. Department of State.
Web site: <http://usinfo.state.gov>)